

Report of Audit

on the

Financial Statements

of the

Town of Clinton

in the

County of Hunterdon
New Jersey

for the

Year Ended
December 31, 2021

TOWN OF CLINTON

I N D E X

| | <u>PAGES</u> |
|--|-----------------|
| <u>PART I</u> | |
| Independent Auditor's Report | 1-4 |
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards | 5-6 |
| | <u>EXHIBITS</u> |
| <u>Financial Statements - Regulatory Basis</u> | |
| <u>Current Fund:</u> | |
| Balance Sheets - Regulatory Basis | "A" |
| Statements of Operations and Change in Fund Balance - Regulatory Basis | "A-1" |
| Statement of Revenues - Regulatory Basis for the Year Ended December 31, 2021 | "A-2" |
| Statement of Expenditures - Regulatory Basis for the Year Ended December 31, 2021 | "A-3" |
| <u>Trust Fund:</u> | |
| Balance Sheets - Regulatory Basis | "B" |
| Statement of Fund Balance - Regulatory Basis | "B-1" |
| <u>General Capital Fund:</u> | |
| Balance Sheets - Regulatory Basis | "C" |
| Statement of Fund Balance - Regulatory Basis | "C-1" |
| <u>Water Utility Fund:</u> | |
| Balance Sheets - Regulatory Basis | "D" |
| Statements of Operations and Change in Fund Balance - Regulatory Basis for the Year Ended December 31, 2021 | "D-1" |
| Statement of Fund Balance - Regulatory Basis - Capital Fund | "D-2" |
| Statement of Revenues - Regulatory Basis - Operating Fund for the Year Ended December 31, 2021 | "D-3" |
| Statement of Expenditures - Regulatory Basis - Operating Fund for the Year Ended December 31, 2021 | "D-4" |
| <u>Sewer Utility Fund:</u> | |
| Balance Sheets - Regulatory Basis | "E" |
| Statements of Operations and Change in Fund Balance - Regulatory Basis - Operating Fund for the Year Ended December 31, 2021 | "E-1" |
| Statement of Capital Surplus - Regulatory Basis - Capital Fund | "E-2" |
| Statement of Revenues - Regulatory Basis - Operating Fund - Year Ended December 31, 2021 | "E-3" |
| Statement of Expenditures - Regulatory Basis - Operating Fund for the Year Ended December 31, 2021 | "E-4" |
| <u>General Fixed Assets Account Group:</u> | |
| Balance Sheets - Regulatory Basis | "F" |
| | <u>PAGES</u> |
| Notes to Financial Statements | 7-52 |

TOWN OF CLINTON

INDEX (CONTINUED)

EXHIBITS

Supplementary Schedules - All Funds

Current Fund:

| | |
|--|--------|
| Schedule of Cash-Treasurer | "A-4" |
| Schedule of Cash-Collector | "A-5" |
| Schedule of Tax Title Liens | "A-6" |
| Schedule of Taxes Receivable and Analysis of Property Tax Levy | "A-7" |
| Schedule of Due State of New Jersey per Chapter 20, P.L. 1971 | "A-8" |
| Schedule of Revenue Accounts Receivable | "A-9" |
| Schedule of Interfunds | "A-10" |
| Schedule of Petty Cash | "A-11" |
| Schedule of Reserve for Outside Liens | "A-12" |
| Schedule of 2020 Appropriation Reserves | "A-13" |
| Schedule of County Taxes Payable | "A-14" |
| Schedule of Local District School Tax Payable | "A-15" |
| Schedule of Regional High School Tax Payable | "A-16" |
| Schedule of Prepaid Taxes | "A-17" |
| Schedule of Tax Overpayments | "A-18" |
| Schedule of Grants Receivable - Grant Fund | "A-19" |
| Schedule of Reserve for Encumbrances Payable | "A-20" |
| Schedule of Reserve for Encumbrances Payable - Grant Fund | "A-21" |
| Schedule of Reserve for Grants Unappropriated - Grant Fund | "A-22" |
| Schedule of Reserve for Grants Appropriated - Grant Fund | "A-23" |
| Schedule of Due Current Fund - Grant Fund | "A-24" |
| Schedule of Change Funds | "A-25" |
| Schedule of Reserve for Sale of Municipal Assets | "A-26" |
| Schedule of Reserve for Insurance Proceeds | "A-27" |

Trust Fund:

| | |
|---|--------|
| Schedule of Cash-Treasurer | "B-2" |
| Schedule of Reserve for Animal Control Trust Fund Expenditures | "B-3" |
| Schedule of Due State of New Jersey - Animal Control Trust Fund | "B-4" |
| Schedule of Various Reserves and Deposits | "B-5" |
| Schedule of Interfunds - Animal Control Trust | "B-6" |
| Schedule of Due County of Hunterdon | "B-7" |
| Schedule of Interfunds | "B-8" |
| Schedule of Encumbrances Payable | "B-9" |
| Schedule of Encumbrances Payable - Animal Control Trust | "B-10" |

General Capital Fund:

| | |
|--|-------|
| Schedule of Cash-Treasurer | "C-2" |
| Analysis of Cash | "C-3" |
| Schedule of Deferred Charges to Future Taxation-Funded | "C-4" |
| Schedule of Deferred Charges to Future Taxation-Unfunded | "C-5" |
| Schedule of Interfunds | "C-6" |
| Schedule of Contracts Payable | "C-7" |
| Schedule of Improvement Authorizations | "C-8" |
| Schedule of Bond Anticipation Notes | "C-9" |

TOWN OF CLINTON

INDEX (CONTINUED)

EXHIBITS

General Capital Fund (Continued):

| | |
|---|--------|
| Schedule of Serial Bonds Payable | "C-10" |
| Schedule of Capital Improvement Fund | "C-11" |
| Schedule of Reserve for Miscellaneous Deposits | "C-12" |
| Schedule of Grant Receivable | "C-13" |
| Schedule of Bonds and Notes Authorized But Not Issued | "C-14" |

Water Utility Fund:

| | |
|--|--------|
| Schedule of Cash-Treasurer | "D-5" |
| Schedule of Cash-Collector - Operating Fund | "D-6" |
| Schedule of Consumer Accounts Receivable - Operating Fund | "D-7" |
| Schedule of Change Fund - Operating Fund | "D-8" |
| Schedule of Inventory - Operating Fund | "D-9" |
| Schedule of 2020 Appropriation Reserves - Operating Fund | "D-10" |
| Schedule of Encumbrances Payable - Operating Fund | "D-11" |
| Schedule of Accrued Interest - Operating Fund | "D-12" |
| Schedule of Loans Receivable - Capital Fund | "D-13" |
| Schedule of Overpayments of Rents - Operating Fund | "D-14" |
| Schedule of Improvement Authorizations - Capital Fund | "D-15" |
| Schedule of Reserve for Amortization - Capital Fund | "D-16" |
| Schedule of Reserve for Contracts Payable - Capital Fund | "D-17" |
| Schedule of Capital Improvement Fund - Capital Fund | "D-18" |
| Schedule of Interfunds - Operating Fund | "D-19" |
| Schedule of Fixed Capital - Capital Fund | "D-20" |
| Schedule of Fixed Capital Authorized and Uncompleted - Capital Fund | "D-21" |
| Schedule of Miscellaneous Reserves - Capital Fund | "D-22" |
| Schedule of Interfunds - Capital Fund | "D-23" |
| Schedule of Reserve for Deferred Amortization - Capital Fund | "D-24" |
| Schedule of New Jersey Environmental Infrastructure Trust Loans Payable-Capital Fund | "D-25" |
| Schedule of Serial Bonds Payable - Capital Fund | "D-26" |
| Schedule of Bonds and Notes Authorized But Not Issued - Capital Fund | "D-27" |

Sewer Utility Fund:

| | |
|---|--------|
| Schedule of Cash-Treasurer | "E-5" |
| Schedule of Cash-Collector - Operating Fund | "E-6" |
| Schedule of Consumer Accounts Receivable - Operating Fund | "E-7" |
| Schedule of 2020 Appropriation Reserves - Operating Fund | "E-8" |
| Schedule of Inventory - Operating Fund | "E-9" |
| Schedule of Sewer Overpayments - Operating Fund | "E-10" |
| Schedule of Reserve Encumbrances - Operating Fund | "E-11" |
| Schedule of Accrued Interest on Loans - Operating Fund | "E-12" |
| Schedule of Interfunds - Operating Fund | "E-13" |
| Schedule of Contracts Payable - Capital Fund | "E-14" |
| Schedule of Fixed Capital Authorized and Uncompleted - Capital Fund | "E-15" |
| Schedule of Fixed Capital - Capital Fund | "E-16" |
| Schedule of Miscellaneous Reserves - Capital Fund | "E-17" |
| Schedule of Improvement Authorizations - Capital Fund | "E-18" |
| Schedule of Capital Improvement Fund - Capital Fund | "E-19" |

TOWN OF CLINTON

INDEX (CONTINUED)

EXHIBITS

Sewer Utility Fund (Continued):

| | |
|--|--------|
| Schedule of Reserve for Amortization - Capital Fund | "E-20" |
| Schedule of Reserve for Deferred Amortization - Capital Fund | "E-21" |
| Schedule of Serial Bonds Payable - Capital Fund | "E-22" |
| Schedule of New Jersey Wastewater Treatment Trust Fund Loans Payable - Capital Fund | "E-23" |
| Schedule of Interfunds – Capital Fund | "E-24" |
| Schedule of Bonds and Notes Authorized But Not Issued - Capital Fund | "E-25" |

PAGES

| | |
|--------------------------------------|-------|
| Statistical Data | 53-58 |
| Officials in Office and Surety Bonds | 59 |
| General Comments and Recommendations | 60-63 |

TOWN OF CLINTON

PART I

INDEPENDENT AUDITOR'S REPORT ON
AUDIT OF FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES AND DATA

REPORTS ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

FINANCIAL STATEMENTS - REGULATORY BASIS - ALL FUNDS

NOTES TO FINANCIAL STATEMENTS - REGULATORY BASIS

SUPPLEMENTARY SCHEDULES - ALL FUNDS

YEAR ENDED DECEMBER 31, 2021 AND 2020



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and Members
of the Town Council
Town of Clinton
County of Hunterdon
Clinton, New Jersey 08809

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying balance sheets - regulatory basis of the various individual funds and account group of the Town of Clinton (the "Town"), as of and for the years ended December 31, 2021 and 2020, the related statements of operations and changes in fund balance - regulatory basis for the years then ended, and the related statement of revenues - regulatory basis and statement of expenditures - regulatory basis of the various individual funds for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's regulatory financial statements as listed in the table of contents.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Matter Giving Rise to Adverse Opinion" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the various individual funds and account group of the Town as of December 31, 2021 and 2020, or the results of its operations and changes in fund balance for the years then ended or the revenues or expenditures for the year ended December 31, 2021.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the regulatory financial statements referred to above present fairly, in all material respects, the regulatory basis balances sheets of the various individual funds and account group as of December 31, 2021 and 2020, the regulatory basis statement of operations and changes in fund balance for the years then ended and the regulatory basis statement of revenues and expenditures and changes in fund balance for the year ended December 31, 2021 in accordance with the basis of financial reporting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey (the "Division") as described in Note 1.

SUPLEE, CLOONEY & COMPANY

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion

As described in Note 1 of the regulatory financial statements, the regulatory financial statements are prepared by the Town on the basis of the financial reporting provisions prescribed by the Division, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the regulatory financial statements in accordance with the regulatory basis of accounting prescribed by the Division, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of regulatory financial statements that are free from material misstatement, whether due to fraud or error. In preparing the regulatory financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the regulatory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

SUPLEE, CLOONEY & COMPANY

In performing an audit in accordance with GAAS, *Government Auditing Standards* and audit requirements prescribed by the Division, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information


Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's regulatory financial statements. The supplementary information, and data listed in the table of contents as required by the Division are presented for purposes of additional analysis and are not a required part of the basic financial statements.

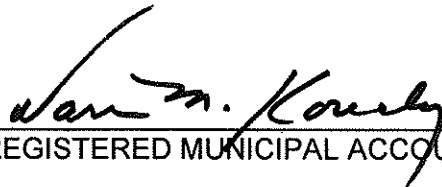
Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, and data listed in the table of contents, as required by the Division are fairly stated, in all material respects, in relation to the regulatory financial statements as a whole.

SUPLEE, CLOONEY & COMPANY

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 3, 2022 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Town's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 419

May 3, 2022



SUPLEE, CLOONEY & COMPANY

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor and Members
of the Town Council
Town of Clinton
County of Hunterdon
Clinton, New Jersey 08809

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the regulatory financial statements of the various individual funds and the account group of the Town of Clinton, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's regulatory financial statements, and have issued our report thereon dated May 3, 2022. Our report disclosed that, as described in Note 1 to the financial statements, the Town of Clinton prepares its financial statements on a basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, that demonstrates compliance with a modified accrual basis and the budget laws of the State of New Jersey, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the regulatory financial statements, we considered the Town's control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of Town's internal control.

SUPLEE, CLOONEY & COMPANY

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town of Clinton's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Clinton's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Clinton's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


CERTIFIED PUBLIC ACCOUNTANTS


REGISTERED MUNICIPAL ACCOUNTANT NO. 419

May 3, 2022

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CURRENT FUND

TOWN OF CLINTON

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

| <u>ASSETS</u> | <u>REF.</u> | BALANCE DECEMBER <u>31, 2021</u> | BALANCE DECEMBER <u>31, 2020</u> |
|--|-------------|--|--|
| Cash-Treasurer | A-4 | \$ 2,839,754.92 | \$ 2,285,480.24 |
| Change Fund | A-25 | 50.00 | 50.00 |
| Due State of New Jersey-Chapter 20, PL 1971 | A-8 | 500.00 | |
| | | <u>\$ 2,840,304.92</u> | <u>\$ 2,285,530.24</u> |
| Receivables and Other Assets with Full Reserves: | | | |
| Delinquent Property Taxes Receivable | A-7 | \$ 139,920.14 | \$ 153,423.44 |
| Tax Title Liens | A-6 | 8,669.67 | 1,267.84 |
| Revenue Accounts Receivable | A-9 | 3,644.72 | 3,680.95 |
| Interfunds Receivable | A-10 | 13,057.00 | 4,935.69 |
| | A | <u>\$ 165,291.53</u> | <u>\$ 163,307.92</u> |
| | | <u>\$ 3,005,596.45</u> | <u>\$ 2,448,838.16</u> |
| Grant Fund: | | | |
| Grants Receivable | A-19 | \$ 127,161.88 | \$ 116,935.38 |
| Due Current Fund | A-24 | 275,826.97 | 135,651.56 |
| | | <u>\$ 402,988.85</u> | <u>\$ 252,586.94</u> |
| | | <u>\$ 3,408,585.30</u> | <u>\$ 2,701,425.10</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

CURRENT FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> |
|---|-------------|--|--|
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Liabilities: | | | |
| Appropriation Reserves | A-3:A-13 | \$ 220,240.63 | \$ 267,176.46 |
| Prepaid Taxes | A-17 | 63,866.39 | 72,503.68 |
| Tax Overpayments | A-18 | 9,960.46 | |
| Interfunds Payable | A-10 | 570,161.11 | 399,846.16 |
| Sale of Municipal Assets | A-26 | 305.76 | 305.76 |
| Reserve for Insurance Proceeds | A-27 | 31,073.00 | |
| County Taxes-Payable | A-14 | 1,392.88 | 683.87 |
| Local District School Taxes | A-15 | 55,092.87 | 108,030.87 |
| Regional School Taxes Payable | A-16 | 49.38 | 49.86 |
| Reserve for Encumbrances | A-20 | 51,915.81 | 73,360.46 |
| | | <u>\$ 1,004,058.29</u> | <u>\$ 921,957.12</u> |
| Reserve for Receivables and Other Assets | A | 165,291.53 | 163,307.92 |
| Fund Balance | A-1 | 1,836,246.63 | 1,363,573.12 |
| | | <u>\$ 3,005,596.45</u> | <u>\$ 2,448,838.16</u> |
| Grant Fund: | | | |
| Reserve for Grants Unappropriated | A-22 | \$ 140,622.20 | \$ |
| Encumbrances Payable | A-21 | 13,554.17 | |
| Appropriated Reserves | A-23 | 248,812.48 | 252,586.94 |
| | | <u>\$ 402,988.85</u> | <u>\$ 252,586.94</u> |
| | | <u>\$ 3,408,585.30</u> | <u>\$ 2,701,425.10</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

"A-1"

TOWN OF CLINTON

CURRENT FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS

| | <u>REF.</u> | <u>YEAR 2021</u> | <u>YEAR 2020</u> |
|--|-------------|-------------------------|-------------------------|
| <u>REVENUE AND OTHER INCOME</u> | | | |
| Fund Balance Utilized | A-2 | \$ 400,000.00 | \$ 500,000.00 |
| Miscellaneous Revenue Anticipated | A-2 | 1,403,161.36 | 1,175,242.84 |
| Receipts From Delinquent Taxes | A-2 | 151,261.49 | 102,109.99 |
| Receipts From Current Taxes | A-2 | 13,001,192.35 | 12,527,472.34 |
| Non-Budget Revenue | A-2 | 86,533.99 | 99,562.85 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | A-13 | 246,675.56 | 242,628.64 |
| Encumbrances Canceled | | | 2,000.00 |
| Senior Citizen and Veteran Canceled | | | 250.00 |
| <u>Total Income</u> | | <u>\$ 15,288,824.75</u> | <u>\$ 14,649,266.66</u> |
| <u>EXPENDITURES</u> | | | |
| Budget Appropriations: | | | |
| Operations Within "CAPS": | | | |
| Operating | A-3 | \$ 3,502,525.00 | \$ 3,376,426.00 |
| Deferred Charges and Regulatory Expenditures | A-3 | 528,038.00 | 481,771.00 |
| Operations Excluded From "CAPS": | | | |
| Operating | A-3 | 227,986.58 | 344,296.66 |
| Capital Improvements | A-3 | 75,000.00 | 75,000.00 |
| Municipal Debt Service | A-3 | 335,094.23 | 359,766.00 |
| Deferred Charges | A-3 | 65,000.00 | 65,000.00 |
| County Taxes | A-14 | 1,582,047.23 | 1,558,087.00 |
| County Share of Added Taxes | A-14 | 1,392.88 | 683.87 |
| Local District School Taxes | A-15 | 5,604,501.00 | 5,390,089.00 |
| Regional High School Taxes | A-16 | 2,486,203.00 | 2,392,166.00 |
| Interfunds Advanced | | 8,121.31 | 2,112.94 |
| Refund of Prior Year Revenue | A-4 | 242.01 | 74.00 |
| <u>Total Expenditures</u> | | <u>\$ 14,416,151.24</u> | <u>\$ 14,045,472.47</u> |
| Excess in Revenue | | \$ 872,673.51 | \$ 603,794.19 |
| <u>Fund Balance</u> | | | |
| Balance, January 1 | A | 1,363,573.12 | 1,259,778.93 |
| | | <u>\$ 2,236,246.63</u> | <u>\$ 1,863,573.12</u> |
| Decreased by: | | | |
| Utilization as Anticipated Revenue | A-1:A-2 | 400,000.00 | 500,000.00 |
| Fund Balance, December 31 | A | <u>\$ 1,836,246.63</u> | <u>\$ 1,363,573.12</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | | ANTICIPATED | | | EXCESS OR |
|---|---------|-----------------|-----------------|-----------------|---------------|
| | | SPECIAL | | | (DEFICIT) |
| REF. | BUDGET | N.J.S. 40A:4-87 | REALIZED | | |
| Fund Balance Anticipated | A-1 | \$ 400,000.00 | \$ 400,000.00 | \$ | |
| Miscellaneous Revenues: | | | | | |
| Licenses: | | | | | |
| Alcoholic Beverages | A-9 | \$ 7,500.00 | \$ 7,500.00 | \$ | |
| Fees and Permits: | | | | | |
| Construction Code Official | A-9 | 75,000.00 | 351,992.00 | | 276,992.00 |
| Fines: | | | | | |
| Municipal Court | A-9 | 47,000.00 | 58,249.30 | | 11,249.30 |
| Interest and Costs on Taxes | A-9 | 30,000.00 | 39,519.36 | | 9,519.36 |
| Interest on Investment | A-9 | 15,000.00 | 734.76 | | (14,265.24) |
| Rental Income - Water Department | A-9 | 142,800.00 | 142,800.00 | | |
| Energy Receipts Tax | A-9 | 160,765.00 | 160,765.00 | | |
| Uniform Fire Safety | A-9 | 15,000.00 | 11,659.45 | | (3,340.55) |
| Rental Inspection Fees | A-9 | 14,000.00 | 14,660.00 | | 660.00 |
| Hotel and Motel Occupancy | A-9 | 89,000.00 | 125,285.91 | | 36,285.91 |
| Shared Services - Zoning Dept. - High Bridge | A-9 | 8,000.00 | 8,000.00 | | |
| Sewer Department - Overhead | A-9 | 385,794.00 | 385,794.00 | | |
| Sewer Department - Admin Fee | A-9 | 39,015.00 | 39,015.00 | | |
| Body Worn Cameras | A-19 | | 26,494.00 | | |
| Clean Communities Program | A-19 | | 5,638.39 | | |
| Recycling Tonnage Grant | A-19 | | 8,002.36 | | |
| ANJEC Grant | A-19 | 15,938.00 | 15,938.00 | | |
| Body Armor Replacement Fund | A-19 | 1,113.83 | 1,113.83 | | |
| | A-1 | \$ 1,045,925.83 | \$ 40,134.75 | \$ 1,403,161.36 | \$ 317,100.78 |
| Receipts From Delinquent Taxes | A-1 | \$ 100,000.00 | \$ 151,261.49 | \$ | 51,261.49 |
| Amount to be Raised by Taxation for Support of Municipal Budget: | | | | | |
| Local Tax for Municipal Purposes | A-2:A-7 | \$ 3,459,859.00 | \$ 3,637,048.24 | \$ | 177,189.24 |
| <u>Budget Totals</u> | | \$ 5,005,784.83 | \$ 40,134.75 | \$ 5,591,471.09 | \$ 545,551.51 |
| Non-Budget Revenue | A-1:A-2 | | 86,533.99 | | 86,533.99 |
| | | \$ 5,005,784.83 | \$ 40,134.75 | \$ 5,678,005.08 | \$ 632,085.50 |
| REF. | A-3 | A-3 | | | |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | <u>REF.</u> | |
|--|-------------|------------------------|
| Allocation of Current Tax Collections: | | |
| Collections Realized on a Cash Basis | A-1:A-7 | \$ 13,001,192.35 |
| Allocated to: | | |
| School and County Taxes | | <u>9,674,144.11</u> |
| Balance for Support of Municipal Budget Appropriations | | \$ 3,327,048.24 |
| Add: Appropriation-"Reserve for Uncollected Taxes" | A-3 | <u>310,000.00</u> |
| Amount for Support of Municipal Budget Appropriations | A-2 | <u>\$ 3,637,048.24</u> |
| Receipts from Delinquent Taxes: | | |
| Delinquent Tax Collection | A-7 | \$ <u>151,261.49</u> |
| | A-2 | <u>\$ 151,261.49</u> |
| <u>Analysis of Non-Budget Revenues</u> | | |
| Miscellaneous Revenue Not Anticipated: | | |
| Treasurer: | | |
| Miscellaneous | | \$ 644.40 |
| Clerks Fees | | 17,288.95 |
| Police Fees | | 610.00 |
| Restitution | | 158.00 |
| Inspection Fees | | 300.00 |
| Senior Citizen and Veterans Administrative Fee | | 220.00 |
| Reimbursement of Costs | | 15,938.00 |
| Cable T.V. Franchise Fee | | 9,899.56 |
| P.I.L.O.T | | 788.05 |
| Police Outside Duty Administrative Fees | | 18,287.85 |
| Affordable Housing Closing Costs | | 2,400.00 |
| Trust Surplus | | 2,577.88 |
| Court Order | | 10,000.00 |
| Recycling Proceeds | | 1,865.30 |
| Statewide Insurance Safety Award | | <u>5,556.00</u> |
| | A-1:A-2:A-4 | <u>\$ 86,533.99</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | APPROPRIATIONS | | EXPENDED | | |
|-------------------------------------|----------------|---------------------------|-----------------|-----------|----------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | CANCELED |
| <u>OPERATIONS WITHIN "CAPS"</u> | | | | | |
| <u>GENERAL GOVERNMENT</u> | | | | | |
| Mayor and Council: | | | | | |
| Salaries and Wages | \$ 24,140.00 | \$ 24,140.00 | \$ 23,856.67 | \$ 283.33 | \$ |
| Other Expenses | 6,800.00 | 5,800.00 | 5,780.32 | 19.68 | |
| Communications | 5,400.00 | 5,400.00 | 5,093.36 | 306.64 | |
| Municipal Clerk: | | | | | |
| Salaries and Wages | 102,440.00 | 100,440.00 | 94,589.24 | 5,850.76 | |
| Other Expenses | 21,500.00 | 20,500.00 | 17,653.28 | 2,846.72 | |
| Financial Administration: | | | | | |
| Salaries and Wages | 108,120.00 | 108,120.00 | 108,120.00 | | |
| Other Expenses | 15,650.00 | 15,650.00 | 14,297.34 | 1,352.66 | |
| Audit Services | 10,350.00 | 10,350.00 | 10,209.00 | 141.00 | |
| Assessment of Taxes: | | | | | |
| Salaries and Wages | 32,945.00 | 32,945.00 | 32,894.68 | 50.32 | |
| Other Expenses | 5,250.00 | 3,250.00 | 2,338.00 | 912.00 | |
| Revenue Administration: | | | | | |
| Salaries and Wages | 23,875.00 | 23,875.00 | 22,875.80 | 999.20 | |
| Other Expenses | 8,550.00 | 8,550.00 | 7,117.19 | 1,432.81 | |
| Legal Services and Costs: | | | | | |
| Other Expenses | 90,000.00 | 84,000.00 | 71,254.77 | 12,745.23 | |
| Engineering Services and Costs: | | | | | |
| Other Expenses | 15,000.00 | 8,000.00 | 4,551.50 | 3,448.50 | |
| Planning Board: | | | | | |
| Salaries and Wages | 18,430.00 | 18,430.00 | 18,399.68 | 30.32 | |
| Other Expenses | 12,250.00 | 5,250.00 | 3,372.72 | 1,877.28 | |
| Environmental Commission: | | | | | |
| Other Expenses | 400.00 | 400.00 | 375.00 | 25.00 | |
| Insurance: | | | | | |
| General Liability | 130,000.00 | 139,300.00 | 136,912.48 | 2,387.52 | |
| Workers Compensation | 53,000.00 | 53,000.00 | 52,174.20 | 825.80 | |
| Employee Group Health | 490,000.00 | 491,100.00 | 491,059.63 | 40.37 | |
| <u>PUBLIC SAFETY</u> | | | | | |
| Fire: | | | | | |
| Other Expenses | 55,081.00 | 55,081.00 | 55,081.00 | | |
| Fire Prevention: | | | | | |
| Salaries and Wages | 18,450.00 | 18,450.00 | 18,443.62 | 6.38 | |
| Other Expenses | 2,500.00 | 2,500.00 | 1,844.46 | 655.54 | |
| Police: | | | | | |
| Salaries and Wages | 1,155,000.00 | 1,155,000.00 | 1,098,586.02 | 56,413.98 | |
| Other Expenses | 87,575.00 | 87,575.00 | 85,074.55 | 2,500.45 | |
| First Aid Organization Contribution | 53,581.00 | 53,581.00 | 53,581.00 | | |
| Emergency Management Services: | | | | | |
| Salaries and Wages | 5,400.00 | 8,900.00 | 8,900.00 | | |
| Other Expenses | 8,000.00 | 2,500.00 | 89.10 | 2,410.90 | |
| Fire Hydrant Rental | 30,000.00 | 30,000.00 | 21,134.25 | 8,865.75 | |
| <u>PUBLIC WORKS:</u> | | | | | |
| Streets and Road Maintenance: | | | | | |
| Salaries and Wages | 259,000.00 | 259,000.00 | 259,000.00 | | |
| Other Expenses | 46,400.00 | 42,700.00 | 37,950.27 | 4,749.73 | |
| Shade Tree Commission: | | | | | |
| Other Expenses | 5,000.00 | 9,000.00 | 8,948.94 | 51.06 | |
| Solid Waste Collection: | | | | | |
| Other Expenses | 66,020.00 | 56,020.00 | 50,410.83 | 5,609.17 | |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | APPROPRIATIONS | | EXPENDED | | |
|--|-----------------|------------------------------|--------------------|---------------|----------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | CANCELED |
| <u>PUBLIC WORKS (CONTINUED):</u> | | | | | |
| Public Building and Grounds: | | | | | |
| Salaries and Wages | \$ 78,680.00 | \$ 78,680.00 | \$ 78,679.10 | \$ 0.90 | |
| Other Expenses | 51,778.00 | 50,778.00 | 43,988.35 | 6,789.65 | |
| Community Center: | | | | | |
| Salaries and Wages | 4,000.00 | 5,200.00 | 5,082.00 | 118.00 | |
| Other Expenses | 5,120.00 | 5,120.00 | 4,340.11 | 779.89 | |
| Safety Administration: | | | | | |
| Other Expenses | 1,000.00 | | | | |
| Vehicle Maintenance: | | | | | |
| Other Expenses | 27,000.00 | 29,500.00 | 29,258.65 | 241.35 | |
| Recycling: | | | | | |
| Salaries and Wages | 6,325.00 | 6,325.00 | 6,274.32 | 50.68 | |
| Other Expenses | 40,000.00 | 37,000.00 | 26,325.03 | 10,674.97 | |
| <u>HEALTH AND HUMAN SERVICES:</u> | | | | | |
| Board of Health: | | | | | |
| Salaries and Wages | 5,180.00 | 5,180.00 | 5,180.00 | | |
| Other Expenses | 500.00 | 500.00 | 240.00 | 260.00 | |
| Animal Control: | | | | | |
| Other Expenses | 4,000.00 | 4,000.00 | 3,712.00 | 288.00 | |
| <u>PARKS AND RECREATION:</u> | | | | | |
| Recreation Services: | | | | | |
| Other Expenses | 500.00 | 500.00 | 385.00 | 115.00 | |
| Historical Commission: | | | | | |
| Other Expenses | 500.00 | 500.00 | 499.99 | 0.01 | |
| Senior Citizens: | | | | | |
| Other Expenses | 750.00 | 750.00 | 720.00 | 30.00 | |
| Maintenance of Parks: | | | | | |
| Other Expenses | 6,000.00 | 3,300.00 | 2,515.00 | 785.00 | |
| Smart Growth Committee: | | | | | |
| Other Expenses | 500.00 | 500.00 | | 500.00 | |
| <u>STATE UNIFORM CONSTRUCTION CODE</u> <u>(N.J.S.A. 52:270-120 et seq.)</u> | | | | | |
| Construction Officials: | | | | | |
| Salaries and Wages | 66,000.00 | 66,000.00 | 65,366.62 | 633.38 | |
| Other Expenses | 2,000.00 | 2,000.00 | 926.76 | 1,073.24 | |
| Housing/Rental Officer: | | | | | |
| Salaries and Wages | 14,585.00 | 14,585.00 | 14,549.34 | 35.66 | |
| Other Expenses | 1,000.00 | 1,000.00 | 413.58 | 586.42 | |
| <u>UTILITIES:</u> | | | | | |
| Gasoline | 28,900.00 | 43,900.00 | 16,452.85 | 27,447.15 | |
| Natural Gas | 9,500.00 | 7,900.00 | 5,914.36 | 1,985.64 | |
| Electricity | 28,500.00 | 18,000.00 | 11,273.96 | 6,726.04 | |
| Telephone | 19,800.00 | 18,800.00 | 16,065.36 | 2,734.64 | |
| Street Lighting | 34,000.00 | 28,000.00 | 21,270.51 | 6,729.49 | |
| Water | 2,000.00 | 3,200.00 | 2,335.89 | 864.11 | |
| Solid Waste Disposal Cost | 102,000.00 | 132,000.00 | 109,696.67 | 22,303.33 | |
| <u>TOTAL OPERATIONS WITHIN "CAPS"</u> | \$ 3,506,225.00 | \$ 3,502,025.00 | \$ 3,293,434.35 | \$ 208,590.65 | |
| Contingent | 500.00 | 500.00 | 363.23 | 136.77 | |
| <u>TOTAL OPERATIONS INCLUDING</u> <u>CONTINGENT WITHIN "CAPS"</u> | \$ 3,506,725.00 | \$ 3,502,525.00 | \$ 3,293,797.58 | \$ 208,727.42 | |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | APPROPRIATIONS | | EXPENDED | | |
|---|------------------------|---------------------------|------------------------|----------------------|-----------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | CANCELED |
| <u>DEFERRED CHARGES AND REGULATORY EXPENDITURES - MUNICIPAL WITHIN "CAPS"</u> | | | | | |
| Statutory Expenditures: | | | | | |
| Contribution to: | | | | | |
| Public Employees Retirement System | \$ 68,000.00 | \$ 68,000.00 | \$ 67,934.00 | \$ 66.00 | |
| Social Security System (OASI) | 140,000.00 | 144,000.00 | 143,353.28 | 646.72 | |
| Police and Firemen's Retire System of NJ | 312,938.00 | 312,938.00 | 312,938.00 | | |
| Unemployment Insurance | 1,400.00 | 1,400.00 | 967.16 | 432.84 | |
| Defined Contribution Retirement Plan | 1,500.00 | 1,700.00 | 590.17 | 1,109.83 | |
| <u>TOTAL DEFERRED CHARGES AND REGULATORY EXPENDITURES-MUNICIPAL WITHIN "CAPS"</u> | <u>\$ 523,838.00</u> | <u>\$ 528,038.00</u> | <u>\$ 525,782.61</u> | <u>\$ 2,255.39</u> | |
| <u>TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES WITHIN "CAPS"</u> | <u>\$ 4,030,563.00</u> | <u>\$ 4,030,563.00</u> | <u>\$ 3,819,580.19</u> | <u>\$ 210,982.81</u> | |
| <u>OPERATIONS EXCLUDED FROM "CAPS"</u> | | | | | |
| Fair Housing Plan Ch 222 PI 1985: (COAH) | | | | | |
| Administrative and Executive: | | | | | |
| Other Expenses | \$ 21,100.00 | \$ 21,100.00 | \$ 12,730.00 | \$ 8,370.00 | |
| Length of Service Award Program (LOSAP): | | | | | |
| Other Expenses | 14,000.00 | 14,000.00 | 14,000.00 | | |
| Recycling Tax | 3,700.00 | 3,700.00 | 3,500.00 | 200.00 | |
| <u>TOTAL OTHER OPERATIONS - EXCLUDED FROM "CAPS"</u> | <u>\$ 38,800.00</u> | <u>\$ 38,800.00</u> | <u>\$ 30,230.00</u> | <u>\$ 8,570.00</u> | |
| <u>INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</u> | | | | | |
| Clinton Township Municipal Court: | | | | | |
| Other Expenses | \$ 124,000.00 | \$ 124,000.00 | \$ 123,878.00 | \$ 122.00 | |
| Borough of High Bridge Zoning Officer | | | | | |
| Other Expenses | 8,000.00 | 8,000.00 | 7,434.18 | 565.82 | |
| <u>TOTAL INTERLOCAL MUNICIPAL SERVICE AGREEMENTS</u> | <u>\$ 132,000.00</u> | <u>\$ 132,000.00</u> | <u>\$ 131,312.18</u> | <u>\$ 687.82</u> | |
| <u>PUBLIC PRIVATE PROGRAMS OFF-SET BY REVENUES</u> | | | | | |
| Recycling Tonnage Grant (N.J.S.A. 40A:4-87 + \$8,002.36) | \$ | \$ 8,002.36 | \$ 8,002.36 | \$ | |
| Clean Communities Program (N.J.S.A. 40A:4-87 + \$5,638.39) | | 5,638.39 | 5,638.39 | | |
| Body Armor Grant | 1,113.83 | 1,113.83 | 1,113.83 | | |
| Body Worn Camera Grant (N.J.S.A. 40A:4-87 + \$26,494.00) | | 26,494.00 | 26,494.00 | | |
| LGEF Covid Grant | 15,938.00 | 15,938.00 | 15,938.00 | | |
| <u>TOTAL PUBLIC AND PRIVATE PROGRAMS OFF-SET BY REVENUE</u> | <u>\$ 17,051.83</u> | <u>\$ 57,186.58</u> | <u>\$ 57,186.58</u> | <u>\$</u> | |
| <u>TOTAL OPERATIONS EXCLUDED FROM "CAPS"</u> | <u>\$ 187,851.83</u> | <u>\$ 227,986.58</u> | <u>\$ 218,728.76</u> | <u>\$ 9,257.82</u> | |
| <u>CAPITAL IMPROVEMENTS-EXCLUDED FROM "CAPS"</u> | | | | | |
| Capital Improvement Fund | | | | | |
| Reserve for: | | | | | |
| Fire Equipment | 10,000.00 | 10,000.00 | 10,000.00 | | |
| Rescue Equipment | 10,000.00 | 10,000.00 | 10,000.00 | | |
| Public Works Equipment | 5,000.00 | 5,000.00 | 5,000.00 | | |
| <u>TOTAL CAPITAL IMPROVEMENTS-EXCLUDED FROM "CAPS"</u> | <u>\$ 75,000.00</u> | <u>\$ 75,000.00</u> | <u>\$ 75,000.00</u> | <u>\$</u> | |
| <u>MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"</u> | | | | | |
| Payment of Bond Principal | | | | | |
| Payment of Bond Anticipation Notes and Capital Notes | \$ 200,000.00 | \$ 200,000.00 | \$ 200,000.00 | \$ | |
| Interest on Bonds | 75,000.00 | 75,000.00 | 75,000.00 | | |
| Interest on Notes | 47,370.00 | 47,370.00 | 47,370.00 | | |
| | 15,000.00 | 15,000.00 | 12,724.23 | | 2,275.77 |
| <u>TOTAL MUNICIPAL DEBT SERVICE-EXCLUDED FROM "CAPS"</u> | <u>\$ 337,370.00</u> | <u>\$ 337,370.00</u> | <u>\$ 335,094.23</u> | <u>\$</u> | <u>2,275.77</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | APPROPRIATIONS | | EXPENDED | | |
|---|------------------------|------------------------------|------------------------|----------------------|--------------------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | CANCELED |
| <u>DEFERRED CHARGES-MUNICIPAL EXCLUDED FROM "CAPS"</u> | | | | | |
| Deferred Charges to Future Taxation Unfunded: Ordinance #2014-15 | \$ 65,000.00 | \$ 65,000.00 | \$ 65,000.00 | \$ | \$ |
| TOTAL GENERAL APPROPRIATIONS FOR MUNICIPAL PURPOSES EXCLUDED FROM "CAPS" | \$ 665,221.83 | \$ 705,356.58 | \$ 693,822.99 | \$ 9,257.82 | \$ 2,275.77 |
| <u>SUB-TOTAL GENERAL APPROPRIATIONS</u> | <u>\$ 4,695,784.83</u> | <u>\$ 4,735,919.58</u> | <u>\$ 4,513,403.18</u> | <u>\$ 220,240.63</u> | <u>\$ 2,275.77</u> |
| RESERVE FOR UNCOLLECTED TAXES | 310,000.00 | 310,000.00 | 310,000.00 | | |
| <u>TOTAL GENERAL APPROPRIATIONS</u> | <u>\$ 5,005,784.83</u> | <u>\$ 5,045,919.58</u> | <u>\$ 4,823,403.18</u> | <u>\$ 220,240.63</u> | <u>\$ 2,275.77</u> |
| | <u>REF.</u> | A-2 | A-1 | A:A-1 | |
| Reserve for Encumbrances | A-20 | | \$ 51,915.81 | | |
| Reserve for Uncollected Taxes | A-2 | | 310,000.00 | | |
| Reserve for Grants Appropriated | A-23 | | 57,186.58 | | |
| Cash Disbursements | A-4 | | 4,645,739.65 | | |
| | | | \$ 5,064,842.04 | | |
| Less: Refunds | A-4 | | 241,438.86 | | |
| | | | \$ 4,823,403.18 | | |
| Budget | A-3 | \$ 5,005,784.83 | | | |
| Appropriation by 40A:4-87 | A-2 | 40,134.75 | | | |
| | | \$ 5,045,919.58 | | | |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TRUST FUND

"B"

TOWN OF CLINTON

TRUST FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | <u>BALANCE DECEMBER 31, 2021</u> | <u>BALANCE DECEMBER 31, 2020</u> |
|--|-------------|--|--|
| <u>ASSETS</u> | | | |
| Animal Control Trust Fund: | | | |
| Cash | B-2 | \$ 11,972.46 | \$ 16,035.19 |
| | | <u>\$ 11,972.46</u> | <u>\$ 16,035.19</u> |
| Other Funds: | | | |
| Cash | B-2 | \$ 869,750.28 | \$ 776,026.22 |
| Interfund Receivable | B-8 | | 1,943.00 |
| | | <u>\$ 869,750.28</u> | <u>\$ 777,969.22</u> |
| | | <u>\$ 881,722.74</u> | <u>\$ 794,004.41</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCES</u> | | | |
| Animal Control Trust Fund: | | | |
| Interfund Payable | B-6 | \$ | \$ 4,935.69 |
| Due to State of New Jersey | B-4 | 4.20 | 4.20 |
| Encumbrances Payable | B-10 | 2,076.00 | 2,000.00 |
| Reserve for Animal Control Trust Fund Expenditures | B-3 | <u>9,892.26</u> | <u>9,095.30</u> |
| | | <u>\$ 11,972.46</u> | <u>\$ 16,035.19</u> |
| Other Funds: | | | |
| Interfund Payable | B-8 | \$ 13,057.00 | \$ |
| Due County of Hunterdon | B-7 | 14,383.86 | 12,008.86 |
| Reserve For: | | | |
| Various Reserves and Deposits | B-5 | 842,309.42 | 763,006.73 |
| Encumbrances Payable | B-9 | | 375.75 |
| Fund Balance | B-1 | | <u>2,577.88</u> |
| | | <u>\$ 869,750.28</u> | <u>\$ 777,969.22</u> |
| | | <u>\$ 881,722.74</u> | <u>\$ 794,004.41</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

"B-1"

TOWN OF CLINTON

TRUST FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

| | <u>REF.</u> | |
|-----------------------------|-------------|--------------------|
| Balance, December 31, 2020 | B | \$ <u>2,577.88</u> |
| Decreased by: | | |
| Transferred to Current Fund | B-2 | <u>2,577.88</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

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GENERAL CAPITAL FUND

"C"

TOWN OF CLINTON

GENERAL CAPITAL FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> |
|--|-------------|--|--|
| <u>ASSETS</u> | | | |
| Cash | C-2 | \$ 816,939.22 | \$ 545,663.38 |
| Deferred Charges to Future Taxation - Funded | C-4 | 1,078,000.00 | 1,278,000.00 |
| Deferred Charges to Future Taxation - Unfunded | C-5 | 2,751,227.86 | 2,496,122.86 |
| Interfunds Receivable | C-6 | 294,334.14 | 262,251.60 |
| Grants Receivable | C-13 | <u>96,802.86</u> | <u>251,137.00</u> |
| | | <u>\$ 5,037,304.08</u> | <u>\$ 4,833,174.84</u> |
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Bond Anticipation Notes | C-9 | \$ 2,183,035.00 | \$ 1,844,092.00 |
| Bonds Payable | C-10 | 1,078,000.00 | 1,278,000.00 |
| Contracts Payable | C-7 | 127,252.39 | 28,197.21 |
| Improvement Authorizations: | | | |
| Funded | C-8 | 77,586.62 | 260,774.56 |
| Unfunded | C-8 | 1,231,178.11 | 1,150,777.77 |
| Capital Improvement Fund | C-11 | 118,311.08 | 89,106.08 |
| Reserve For: | | | |
| Miscellaneous Reserves | C-12 | 206,455.00 | 181,455.00 |
| Fund Balance | C-1 | <u>15,485.88</u> | <u>772.22</u> |
| | | <u>\$ 5,037,304.08</u> | <u>\$ 4,833,174.84</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

GENERAL CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

| | <u>REF.</u> | |
|----------------------------|-------------|---------------------|
| Balance, December 31, 2020 | C | \$ 772.22 |
| Increased by: | | |
| Premium on Sale of Notes | C-2 | <u>14,713.66</u> |
| Balance, December 31, 2021 | C | <u>\$ 15,485.88</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

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WATER UTILITY FUND

TOWN OF CLINTON

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

| <u>ASSETS</u> | <u>REF.</u> | BALANCE DECEMBER <u>31, 2021</u> | BALANCE DECEMBER <u>31, 2020</u> |
|--|-------------|--|--|
| Operating Fund: | | | |
| Cash - Treasurer | D-5 | \$ 2,481,129.21 | \$ 1,110,384.11 |
| Cash - Collector | D-6 | 3,226.69 | 21,339.71 |
| Cash - Change Fund | D-8 | 25.00 | 25.00 |
| Interfunds Receivable | D-19 | 1,671,019.00 | 1,676,139.00 |
| | | <u>\$ 4,155,399.90</u> | <u>\$ 2,807,887.82</u> |
| Receivables and Inventories with Full Reserves: | | | |
| Consumer Accounts Receivable | D-7 | \$ 691,746.64 | \$ 600,873.91 |
| Inventory | D-9 | 82,532.28 | 114,984.18 |
| | D | <u>\$ 774,278.92</u> | <u>\$ 715,858.09</u> |
| <u>Total Operating Fund</u> | | <u>\$ 4,929,678.82</u> | <u>\$ 3,523,745.91</u> |
| Capital Fund: | | | |
| Cash | D-5 | \$ 541,158.67 | \$ 1,059,768.07 |
| Fixed Capital | D-20 | 19,774,616.96 | 19,774,616.96 |
| Fixed Capital Authorized and Uncompleted | D-21 | 22,247,638.74 | 21,964,138.74 |
| New Jersey Environment Infrastructure Loan Receivable | D-13 | | 5,120.00 |
| <u>Total Capital Fund</u> | | <u>\$ 42,563,414.37</u> | <u>\$ 42,803,643.77</u> |
| | | <u>\$ 47,493,093.19</u> | <u>\$ 46,327,389.68</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

WATER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

| | REF. | BALANCE DECEMBER 31, 2021 | BALANCE DECEMBER 31, 2020 |
|---|----------|---------------------------------|---------------------------------|
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Operating Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | D-4:D-10 | \$ 339,583.01 | \$ 425,729.42 |
| Accrued Interest | D-12 | 83,822.92 | 80,167.91 |
| Encumbrances Payable | D-11 | 44,337.28 | 25,326.55 |
| Overpayment of Water Charges | D-14 | 7,348.86 | 8,136.52 |
| Prepaid Charges | D-6 | | 355.34 |
| | | <u>\$ 475,092.07</u> | <u>\$ 539,715.74</u> |
| Reserve for Receivables and Inventory | D | 774,278.92 | 715,858.09 |
| Fund Balance | D-1 | <u>3,680,307.83</u> | <u>2,268,172.08</u> |
| <u>Total Operating Fund</u> | | <u>\$ 4,929,678.82</u> | <u>\$ 3,523,745.91</u> |
| Capital Fund: | | | |
| Improvement Authorizations: | | | |
| Funded | D-15 | \$ 1,141,345.48 | \$ 1,141,698.48 |
| Unfunded | D-15 | 8,614,957.32 | 10,068,472.35 |
| Capital Improvement Fund | D-18 | 467,419.08 | 347,419.08 |
| General Serial Bonds | D-26 | 5,643,000.00 | 5,993,000.00 |
| New Jersey Environmental Infrastructure Loan | D-25 | 4,859,677.03 | 4,593,928.51 |
| Interfunds Payable | D-23 | 1,671,019.00 | 1,676,139.00 |
| Reserve For: | | | |
| Contracts Payable | D-17 | 3,649,944.10 | 2,741,816.47 |
| Amortization | D-16 | 12,683,826.94 | 12,021,926.26 |
| Deferred Amortization | D-24 | 1,885,875.04 | 1,793,132.24 |
| Miscellaneous Deposits | D-22 | 1,726,231.20 | 2,205,992.20 |
| Fund Balance | D-2 | <u>220,119.18</u> | <u>220,119.18</u> |
| <u>Total Capital Fund</u> | | <u>\$ 42,563,414.37</u> | <u>\$ 42,803,643.77</u> |
| | | <u>\$ 47,493,093.19</u> | <u>\$ 46,327,389.68</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

"D-1"

TOWN OF CLINTON

WATER UTILITY FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | <u>REF.</u> | <u>YEAR ENDED DECEMBER 31, 2021</u> | <u>YEAR ENDED DECEMBER 31, 2020</u> |
|--|-------------|---|---|
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | |
| Fund Balance Utilized | D-3 | \$ | \$ 140,000.00 |
| Rents | D-3 | 4,062,251.52 | 3,696,556.38 |
| Fire Hydrant Service | D-3 | 272,342.05 | 254,195.08 |
| Miscellaneous | D-3 | 108,314.47 | 59,648.76 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | D-10 | 371,542.19 | 297,947.49 |
| <u>TOTAL INCOME</u> | | <u>\$ 4,814,450.23</u> | <u>\$ 4,448,347.71</u> |
| <u>EXPENDITURES</u> | | | |
| Operating | D-4 | \$ 2,044,650.00 | \$ 1,972,550.00 |
| Capital Improvements | D-4 | 170,000.00 | 170,000.00 |
| Debt Service | D-4 | 1,060,044.48 | 1,226,801.16 |
| Regulatory Expenditures and Deferred Charges | D-4 | 122,500.00 | 121,816.00 |
| Refund of Prior Years' Revenue | D-5 | 5,120.00 | |
| <u>TOTAL EXPENDITURES</u> | | <u>\$ 3,402,314.48</u> | <u>\$ 3,491,167.16</u> |
| Excess in Revenue | | \$ 1,412,135.75 | \$ 957,180.55 |
| <u>Fund Balance</u> | | | |
| Balance, January 1 | D | 2,268,172.08 | 1,450,991.53 |
| | | <u>\$ 3,680,307.83</u> | <u>\$ 2,408,172.08</u> |
| Decreased by: | | | |
| Utilization by Water Operating Budget | D-3 | | 140,000.00 |
| Balance, December 31 | D | <u>\$ 3,680,307.83</u> | <u>\$ 2,268,172.08</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

STATEMENT OF FUND BALANCE - REGULATORY BASIS

| | <u>REF.</u> | | |
|----------------------------|-------------|----|-------------------|
| Balance, December 31, 2020 | D | \$ | 220,119.18 |
| Balance, December 31, 2021 | D | \$ | <u>220,119.18</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

WATER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | <u>REF.</u> | <u>ANTICIPATED</u> | <u>REALIZED</u> | <u>EXCESS OR (DEFICIT)</u> |
|-------------------|-------------|------------------------|------------------------|--------------------------------|
| Water Use Charges | D-1:D-3 | \$ 3,319,400.00 | \$ 4,062,251.52 | \$ 742,851.52 |
| Hydrant Fees | D-1:D-6 | 190,000.00 | 272,342.05 | 82,342.05 |
| Miscellaneous | D-1:D-3 | 38,000.00 | 108,314.47 | 70,314.47 |
| | D-4 | <u>\$ 3,547,400.00</u> | <u>\$ 4,442,908.04</u> | <u>\$ 895,508.04</u> |

ANALYSIS OF REALIZED REVENUE

Water Use Charges:

Consumer Accounts Receivable:

| | | |
|-----------------|-----|------------------------|
| Collected | D-7 | \$ 4,053,759.66 |
| Prepaid Applied | D-7 | 8,491.86 |
| | D-3 | <u>\$ 4,062,251.52</u> |

Miscellaneous:

Treasurer:

| | | |
|-------------------------|-----|----------------------|
| Connection Fees | | \$ 66,305.56 |
| Water Reservation | | 20,901.63 |
| Miscellaneous | | 14,614.28 |
| Water Usage | | 2,696.94 |
| Interest on Investments | | 337.02 |
| | D-5 | <u>\$ 104,855.43</u> |

Collector:

| | | |
|---------------------------------|-----|----------------------|
| Interest on Delinquent Accounts | D-6 | \$ 3,459.04 |
| | D-3 | <u>\$ 108,314.47</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

WATER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | <u>APPROPRIATIONS</u> | | <u>EXPENDED</u> | | <u>CANCELED</u> |
|--|------------------------|--------------------------------------|----------------------------|----------------------|----------------------|
| | <u>BUDGET</u> | <u>BUDGET AFTER MODIFICATION</u> | <u>PAID OR CHARGED</u> | <u>RESERVED</u> | |
| Operating: | | | | | |
| Salaries and Wages | \$ 710,000.00 | \$ 710,000.00 | \$ 534,338.29 | \$ 175,661.71 | \$ |
| Other Expenses | 1,334,650.00 | 1,334,650.00 | 1,194,283.95 | 140,366.05 | |
| <u>Total Operating</u> | <u>\$ 2,044,650.00</u> | <u>\$ 2,044,650.00</u> | <u>\$ 1,728,622.24</u> | <u>\$ 316,027.76</u> | <u>\$</u> |
| Capital Improvements: | | | | | |
| Capital Improvement Fund | \$ 120,000.00 | \$ 120,000.00 | \$ 120,000.00 | \$ | \$ |
| Capital Outlay | 10,000.00 | 10,000.00 | | 10,000.00 | |
| Reserve (Public Works Equipment) | 40,000.00 | 40,000.00 | 40,000.00 | | |
| <u>Total Capital Improvements</u> | <u>\$ 170,000.00</u> | <u>\$ 170,000.00</u> | <u>\$ 160,000.00</u> | <u>\$ 10,000.00</u> | <u>\$</u> |
| Debt Services: | | | | | |
| Payment on Bond Principal | \$ 350,000.00 | \$ 350,000.00 | \$ 350,000.00 | \$ | \$ 140,000.00 |
| Payment of Bond Anticipation Notes | 140,000.00 | 140,000.00 | | | |
| Interest on Bonds/Loan | 234,953.00 | 234,953.00 | 234,953.00 | | 3,000.00 |
| Interest on Notes | 3,000.00 | 3,000.00 | | | 7,205.52 |
| New Jersey Environmental Infrastructure Loan - Principal | 411,849.00 | 411,849.00 | 404,643.48 | | |
| New Jersey Environmental Infrastructure Loan - Interest | 70,448.00 | 70,448.00 | 70,448.00 | | |
| <u>Total Debt Services</u> | <u>\$ 1,210,250.00</u> | <u>\$ 1,210,250.00</u> | <u>\$ 1,060,044.48</u> | <u>\$</u> | <u>\$ 150,205.52</u> |
| Regulatory Expenditures: | | | | | |
| Contributions to: | | | | | |
| Public Employees Retirement System | \$ 68,000.00 | \$ 68,000.00 | \$ 67,935.00 | \$ 65.00 | \$ |
| Social Security System (O.A.S.I.) | 54,000.00 | 54,000.00 | 40,714.59 | 13,285.41 | |
| Unemployment Compensation Insurance | 500.00 | 500.00 | 295.16 | 204.84 | |
| <u>Total Regulatory Expenditures</u> | <u>\$ 122,500.00</u> | <u>\$ 122,500.00</u> | <u>\$ 108,944.75</u> | <u>\$ 13,555.25</u> | <u>\$</u> |
| <u>REF.</u> | <u>D-3</u> | <u>D-1</u> | <u>D-1</u> | <u>D:D-1</u> | <u>\$ 150,205.52</u> |

| | |
|----------------------|------------------------|
| Cash Disbursements | \$ 2,729,460.98 |
| Encumbrances Payable | 44,337.28 |
| Accrued Interest | 305,401.00 |
| | \$ 3,079,199.26 |
| Less: Refunds | 21,587.79 |
| | <u>\$ 3,057,611.47</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

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SEWER UTILITY FUND

TOWN OF CLINTON

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

| | | | BALANCE DECEMBER 31, 2021 | BALANCE DECEMBER 31, 2020 |
|--|-------------|----|---------------------------------|---------------------------------|
| <u>ASSETS</u> | <u>REF.</u> | | | |
| Operating Fund: | | | | |
| Cash - Treasurer | E-5 | \$ | 1,064,312.76 | \$ 816,175.22 |
| Cash - Collector | E-6 | | 1,317.96 | |
| Cash - Change Fund | | | 25.00 | 25.00 |
| Interfund Receivable | E-13 | | 100,000.00 | |
| | | \$ | <u>1,165,655.72</u> | <u>\$ 816,200.22</u> |
| Receivables with Full Reserves: | | | | |
| Consumer Accounts Receivable | E-7 | \$ | 4,228,832.02 | \$ 3,404,032.18 |
| Inventory | E-9 | | 268,433.16 | 284,745.01 |
| | E | \$ | <u>4,497,265.18</u> | <u>\$ 3,688,777.19</u> |
| <u>Total Operating Fund</u> | | \$ | <u>5,662,920.90</u> | <u>\$ 4,504,977.41</u> |
| Capital Fund: | | | | |
| Cash | E-5 | \$ | 1,559,731.56 | \$ 881,226.26 |
| Fixed Capital | E-16 | | 12,703,030.62 | 12,703,030.62 |
| Fixed Capital Authorized and Uncompleted | E-15 | | 5,163,900.00 | 4,913,900.00 |
| <u>Total Capital Fund</u> | | \$ | <u>19,426,662.18</u> | <u>\$ 18,498,156.88</u> |
| | | \$ | <u>25,089,583.08</u> | <u>\$ 23,003,134.29</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

SEWER UTILITY FUND

BALANCE SHEETS - REGULATORY BASIS

| | <u>REF.</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> |
|---|-------------|--|--|
| <u>LIABILITIES, RESERVES AND FUND BALANCE</u> | | | |
| Operating Fund: | | | |
| Liabilities: | | | |
| Appropriation Reserves | E-4:E-8 | \$ 205,382.35 | \$ 200,911.83 |
| Encumbrances Payable | E-11 | 78,097.59 | 102,464.50 |
| Accrued Interest on Loans | E-12 | 22,382.25 | 23,735.29 |
| Sewer Overpayments | E-10 | 2,426.81 | 30,472.81 |
| | | <u>\$ 308,289.00</u> | <u>\$ 357,584.43</u> |
| Reserve for Receivables | E | 4,497,265.18 | 3,688,777.19 |
| Fund Balance | E-1 | <u>857,366.72</u> | <u>458,615.79</u> |
| <u>Total Operating Fund</u> | | <u>\$ 5,662,920.90</u> | <u>\$ 4,504,977.41</u> |
| Capital Fund: | | | |
| New Jersey Wastewater Treatment Loans Payable | E-23 | \$ 566,078.57 | \$ 619,646.89 |
| General Serial Bonds | E-22 | 1,100,000.00 | 1,150,000.00 |
| Improvement Authorizations: | | | |
| Funded | E-18 | 312,290.67 | 386,458.98 |
| Unfunded | E-18 | 274,199.22 | 428,656.61 |
| Capital Improvement Fund | E-19 | 135,402.97 | 85,402.97 |
| Interfunds Payable | E-24 | 100,000.00 | |
| Reserve for: | | | |
| Miscellaneous Reserves | E-17 | 4,514,655.20 | 1,075,092.20 |
| Deferred Amortization | E-21 | 1,174,500.00 | 1,024,500.00 |
| Amortization | E-20 | 11,036,952.05 | 10,933,383.73 |
| Contracts Payable | E-14 | 186,072.00 | 2,668,504.00 |
| Fund Balance | E-2 | <u>26,511.50</u> | <u>126,511.50</u> |
| <u>Total Capital Fund</u> | | <u>\$ 19,426,662.18</u> | <u>\$ 18,498,156.88</u> |
| | | <u>\$ 25,089,583.08</u> | <u>\$ 23,003,134.29</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

SEWER UTILITY OPERATING FUND

STATEMENTS OF OPERATIONS
AND CHANGE IN FUND BALANCE - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | <u>REF.</u> | YEAR ENDED DECEMBER <u>31, 2021</u> | YEAR ENDED DECEMBER <u>31, 2020</u> |
|--|-------------|---|---|
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | |
| Fund Balance Utilized | E-3 | \$ 194,968.00 | \$ 68,000.00 |
| Sewer Use Charges | E-3 | 1,523,757.77 | 1,569,118.27 |
| Capital Surplus | E-3 | 100,000.00 | |
| Miscellaneous | E-3 | 881,225.06 | 406,721.29 |
| Other Credits to Income: | | | |
| Unexpended Balance of Appropriation Reserves | E-8 | 145,221.65 | 253,164.86 |
| Accrued Interest Canceled | E-12 | <u>3,512.77</u> | <u>6,819.26</u> |
| <u>TOTAL INCOME</u> | | <u>\$ 2,848,685.25</u> | <u>\$ 2,303,823.68</u> |
| <u>EXPENDITURES</u> | | | |
| Budget and Emergency Appropriations: | | | |
| Operating | E-4 | \$ 1,928,909.00 | \$ 1,929,363.84 |
| Deferred Charges and Regulatory Expenditures | E-4 | 103,375.00 | 103,291.00 |
| Capital Improvements | E-4 | 60,000.00 | 60,000.00 |
| Municipal Debt Service | E-4 | <u>162,682.32</u> | <u>166,432.32</u> |
| <u>TOTAL EXPENDITURES</u> | | <u>\$ 2,254,966.32</u> | <u>\$ 2,259,087.16</u> |
| Excess in Revenue | | <u>\$ 593,718.93</u> | <u>\$ 44,736.52</u> |
| <u>Fund Balance</u> | | | |
| Balance, January 1 | E | <u>458,615.79</u> | <u>481,879.27</u> |
| | | <u>\$ 1,052,334.72</u> | <u>\$ 526,615.79</u> |
| Decreased by: | | | |
| Utilization by Sewer Operating Budget | E-1:E-3 | <u>194,968.00</u> | <u>68,000.00</u> |
| Balance, December 31 | E | <u><u>\$ 857,366.72</u></u> | <u><u>\$ 458,615.79</u></u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

SEWER UTILITY CAPITAL FUND

STATEMENT OF CAPITAL SURPLUS - REGULATORY BASIS

| | <u>REF.</u> | |
|---|-------------|---------------------|
| Balance, December 31, 2020 | E | \$ 126,511.50 |
| Decreased by: | | |
| Payment to Operating Fund as Anticipated Revenue | E-5 | <u>100,000.00</u> |
| Balance, December 31, 2021 | E | <u>\$ 26,511.50</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY BASIS
YEAR ENDED DECEMBER 31, 2021

| | <u>REF.</u> | <u>ANTICIPATED</u> | <u>REALIZED</u> | <u>EXCESS OR (DEFICIT)</u> |
|--------------------------|-------------|------------------------|------------------------|------------------------------------|
| Fund Balance Anticipated | E-1 | \$ 194,968.00 | \$ 194,968.00 | \$ |
| Sewer Use Charges | E-1:E-3 | 1,560,000.00 | 1,523,757.77 | (36,242.23) |
| Utility Capital Surplus | E-1:E-5 | 100,000.00 | 100,000.00 | |
| Miscellaneous | E-1:E-3 | <u>400,000.00</u> | <u>881,225.06</u> | <u>481,225.06</u> |
| | E-4 | <u>\$ 2,254,968.00</u> | <u>\$ 2,699,950.83</u> | <u>\$ 444,982.83</u> |

ANALYSIS OF REALIZED REVENUE

| | | |
|----------------------------------|-----|------------------------|
| Consumer Accounts Receivable | E-7 | \$ 1,493,284.96 |
| Applied | E-7 | <u>30,472.81</u> |
| | E-3 | <u>\$ 1,523,757.77</u> |
| Miscellaneous: | | |
| Treasurer: | | |
| Interest Earned | | \$ 104.11 |
| Connection Fees | | 1,815.00 |
| Settlement | | <u>136,628.86</u> |
| Total Treasurer | E-5 | \$ 138,547.97 |
| Sewer Collector: | | |
| Penalties on Delinquent Accounts | E-6 | 741,800.09 |
| Miscellaneous | E-6 | <u>877.00</u> |
| | E-3 | <u>\$ 881,225.06</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

TOWN OF CLINTON

SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

| | APPROPRIATIONS | | EXPENDED | | CANCELED |
|--|-----------------|------------------------------|--------------------|---------------|----------|
| | BUDGET | BUDGET AFTER MODIFICATION | PAID OR CHARGED | RESERVED | |
| Operating: | | | | | |
| Salaries and Wages | \$ 415,000.00 | \$ 415,000.00 | \$ 395,255.92 | \$ 19,744.08 | \$ |
| Other Expenses | 1,089,100.00 | 1,089,100.00 | 908,286.27 | 180,813.73 | |
| Other Expenses - Overhead | 385,794.00 | 385,794.00 | 385,794.00 | | |
| Other Expenses - Administrative Fee | 39,015.00 | 39,015.00 | 39,015.00 | | |
| Total Operating | \$ 1,928,909.00 | \$ 1,928,909.00 | \$ 1,728,351.19 | \$ 200,557.81 | \$ |
| Capital Improvements: | | | | | |
| Capital Improvement Fund | \$ 50,000.00 | \$ 50,000.00 | \$ 50,000.00 | \$ | \$ |
| Reserve for Public Works Equipment | 10,000.00 | 10,000.00 | 10,000.00 | | |
| Total Capital Improvements | \$ 60,000.00 | \$ 60,000.00 | \$ 60,000.00 | \$ | \$ |
| Debt Service: | | | | | |
| Payment of Bond/Loan Principal | \$ 50,000.00 | \$ 50,000.00 | \$ 50,000.00 | \$ | \$ |
| Interest on Bonds/Loans | 45,250.00 | 45,250.00 | 45,250.00 | | |
| New Jersey Environmental Infrastructure Loan - Principal | 53,570.00 | 53,570.00 | 53,568.32 | | 1.68 |
| New Jersey Environmental Infrastructure Loan - Interest | 13,864.00 | 13,864.00 | 13,864.00 | | |
| Total Debt Service | \$ 162,684.00 | \$ 162,684.00 | \$ 162,682.32 | \$ | \$ 1.68 |
| Regulatory Expenditures: | | | | | |
| Contributions to: | | | | | |
| Public Employees Retirement System | \$ 68,000.00 | \$ 68,000.00 | \$ 67,935.00 | \$ 65.00 | \$ |
| Social Security System (O.A.S.I.) | 35,000.00 | 35,000.00 | 30,409.78 | 4,590.22 | |
| Unemployment Compensation Insurance | 375.00 | 375.00 | 205.68 | 169.32 | |
| Total Regulatory Expenditures | \$ 103,375.00 | \$ 103,375.00 | \$ 98,550.46 | \$ 4,824.54 | \$ |
| | \$ 2,254,968.00 | \$ 2,254,968.00 | \$ 2,049,583.97 | \$ 205,382.35 | \$ 1.68 |
| REF. | | | E-1 | E-E-1 | |
| E-3 | | | | | |
| E-5 | | \$ | 2,115,435.96 | | |
| E-12 | | | 13,864.00 | | |
| E-11 | | \$ | 78,097.59 | | |
| | | | 2,207,397.55 | | |
| E-5 | | | 157,813.58 | | |
| Less: | | | | | |
| Refunds | | \$ | 2,049,583.97 | | |

The accompanying Notes to the Financial Statements are an integral part of this statement.

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GENERAL FIXED ASSETS ACCOUNT GROUP

"F"

TOWN OF CLINTON

GENERAL FIXED ASSETS ACCOUNT GROUP

BALANCE SHEETS - REGULATORY BASIS-RESTATED

| | DECEMBER <u>31, 2021</u> | DECEMBER <u>31, 2020</u> |
|-------------------------------------|-----------------------------|-----------------------------|
| General Fixed Assets: | | |
| Sites | \$ 3,907,376.00 | \$ 3,907,376.00 |
| Site Improvements | 62,988.00 | 62,988.00 |
| Buildings and Building Improvements | 6,370,466.18 | 6,370,466.18 |
| Machinery and Equipment | <u>4,226,309.73</u> | <u>4,226,309.73</u> |
| <u>TOTAL GENERAL FIXED ASSETS</u> | <u>\$ 14,567,139.91</u> | <u>\$ 14,567,139.91</u> |
| Investment in General Fixed Assets | <u>\$ 14,567,139.91</u> | <u>\$ 14,567,139.91</u> |

The accompanying Notes to the Financial Statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

TOWN OF CLINTON

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021 AND 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Clinton (Town) is an instrumentality of the State of New Jersey, established to function as a municipality. The Town Council consists of elected officials and is responsible for the fiscal control of the Town.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization. Except as noted below, the financial statements of the Town include every board, body, officer or commission supported and maintained wholly or in part by funds appropriated by the Town, as required by N.J.S.A. 40A:5-5. Accordingly, the financial statements of the Town of Clinton do not include the operations of the local or regional school districts, inasmuch as their activities are administered by separate boards.

B. Description of Funds

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB codification establishes the presentation of basic financial statements into three fund types, the governmental, proprietary and fiduciary funds, as well as government-wide financial reporting that must be used by general purpose governmental units when reporting financial position and results of operations in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds (Continued)

The accounting policies of the Town of Clinton conform to the accounting principles applicable to municipalities which have been prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the financial transactions and accounts of the Town of Clinton are organized on the basis of funds and an account group which is different from the fund structure required by GAAP. A fund or account group is an accounting entity with a separate set of self-balancing accounts established to record the financial position and results of operation of a specific government activity. As required by the Division of Local Government Services, the Town accounts for its financial transactions through the following individual funds and account group:

Current Fund - resources and expenditures for governmental operations of a general nature, including federal and state grant funds

Trust Fund - receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created

General Capital Fund - receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund

Water and Sewer Utility Operating and Capital Funds - Account for the operations and acquisition of capital facilities of the municipally owned Water Utility and Sewer Utility

General Fixed Assets Account Group - utilized to account for property, land, buildings and equipment that have been acquired by other governmental funds

C. Basis of Accounting

The accounting principles and practices prescribed for municipalities by the State of New Jersey differ in certain respects from generally accepted accounting principles applicable to local government units. The more significant accounting policies and differences in the State of New Jersey are as follows:

A modified accrual basis of accounting is followed with minor exceptions.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Revenues - are recorded when received in cash except for certain amounts which are due from other governmental units. Operating grants are realized as revenues when anticipated in the Town's budget. Receivables for property taxes are recorded with offsetting reserves on the balance sheet of the Town's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the Town, which are susceptible to accrual, are also recorded as receivables with offsetting reserves and recorded as revenues when received. GAAP requires revenues to be recognized in the accounting period when they become susceptible to accrual, reduced by an allowance for doubtful accounts.

Expenditures - are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when an amount is encumbered for goods or services through the issuance of a purchase order in conjunction with the Encumbrance Accounting System. Outstanding encumbrances, at December 31, are reported as a cash liability in the financial statements and constitute part of the Town's regulatory Appropriation Reserve balance. Appropriation reserves covering unexpended appropriation balances are automatically created at December 31st of each year and recorded as liabilities, except for amounts which may be canceled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income. Appropriations for principal payments on outstanding general capital and utility bonds and notes are provided on the cash basis, interest on general capital indebtedness is on the cash basis, whereas interest on utility indebtedness is on the accrual basis.

Encumbrances - Contractual orders at December 31st are reported as expenditures through the establishment of encumbrances payable. Under GAAP, encumbrances outstanding at year end are reported as reservations of fund balance because they do not constitute expenditures or liabilities.

Foreclosed Property - is recorded in the Current Fund at the assessed valuation when such property was acquired and is fully reserved. GAAP requires such property to be recorded in the General Fixed Assets Account Group at its market value.

Sale of Municipal Assets - The proceeds from the sale of municipal assets can be held in a reserve until anticipated as a revenue in a future budget. GAAP requires such proceeds to be recorded as a revenue in the year of sale.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Interfunds - Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves. GAAP does not require the establishment of an offsetting reserve.

General Fixed Assets - N.J.A.C. 5:30-5.6, Accounting for Governmental Fixed Assets, as promulgated by the Division of Local Government Services, which differs in certain respects from generally accepted accounting principles, requires the inclusion of a statement of general fixed assets of the Town as part of its basic financial statements. General fixed assets are defined as nonexpendable personal and real property having a physical existence, a useful life of more than one year and an acquisition cost of \$5,000.00 or more per unit. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

General Fixed Assets that have been acquired and are utilized in a governmental fund operation are accounted for in the General Fixed Asset Account Group rather than in a governmental fund. No depreciation has been provided on General Fixed Assets or reported in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital has not been accounted for separately.

Inventories of Supplies - The cost of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The cost of inventories is not included on the various balance sheets. GAAP requires the cost of inventories to be reported as a current asset and equally offset by a fund balance reserve.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Fixed Capital - Water Utility and Sewer Utility

Accounting for utility fund "fixed capital" remains unchanged under the requirements of N.J.A.C. 5:30-5.6.

Property and equipment purchased by the Water Utility Fund and the Sewer Utility Fund are recorded in the capital account at cost and are adjusted for disposition and abandonment. The amounts shown do not purport to represent reproduction costs or current value. The fixed capital reported is as taken from the municipal records and does not necessarily reflect the true condition of such fixed capital. Contributions in aid of construction are not capitalized. The balance in the Reserve for Amortization and Deferred Reserve for Amortization accounts in the utility capital fund represents charges to operations for the cost of acquisition of property, equipment and improvements. The utility does not record depreciation on fixed assets.

Accounting and Financial Reporting for Pensions

Governmental Accounting Standards Board (GASB) Statement No. 68 Accounting and financial reporting for pensions administered by state and local government employers improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

Under GAAP, municipalities are required to recognize the pension liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 68. The liability required to be displayed by GASB 68 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the net pension liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 68 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 68.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Pensions (Continued)

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension and Benefits reporting on GASB 68. As of the date of this report the information for the period ended June 30, 2021, was not available, therefore the information dated June 30, 2020, is disclosed.

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, *"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions.

It also requires the State of New Jersey to calculate and allocate to each participating member, for note disclosure purposes only, the OPEB net liability of New Jersey Health Benefits Local Government Retiree Plan (the Plan). The statement does not alter the amount of funds that must be budgeted for OPEB payment under existing state law.

Under GAAP, municipalities are required to recognize the OPEB liability in Statements of Revenues, Expenses, Changes in Net Position (balance sheets) and Notes to the Financial Statements in accordance with GASB 75. The liability required to be displayed by GASB 75 is displayed as a separate line item in the Unrestricted Net Position area of the balance sheet.

New Jersey's municipalities and counties do not follow GAAP accounting principles and, as such, do not follow GASB requirements with respect to recording the OPEB liability as a liability on their balance sheets. However, N.J.A.C. 5:30 6.1(c) (2) requires municipalities to disclose GASB 75 information in the Notes to the Financial Statements. The disclosure must meet the requirements of GASB 75.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) (Continued)

In May of 2021, the New Jersey Division of Local Government Services issued Local Finance Notice 2021-10 which allows local units to disclose the most recently available information as it relates to the New Jersey Division of Pension and Benefits reporting on GASB 75. As of the date of this report the information for the period ended June 30, 2021, was not available, therefore the information dated June 30, 2020, is disclosed.

D. Basic Financial Statements

The GASB codification also defines the financial statements of a governmental unit to be presented in the general purpose financial statements to be held in accordance with GAAP. The Town presents the financial statements listed in the table of contents of the "Requirements of Audit and Accounting Revision of 1987" as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and which differ from the financial statements required by GAAP.

NOTE 2: CASH AND CASH EQUIVALENTS

The Town considers petty cash, change funds, cash in banks and certificates of deposit as cash and cash equivalents.

A. Deposits

New Jersey statutes permit the deposit of public funds in institutions which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA) or the State of New Jersey Cash Management Fund. GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.00.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

A. Deposits (Continued)

The Town of Clinton has the following cash and cash equivalents at December 31, 2021:

| Fund Type: | Bank Balance | Reconciling Items: | | Reconciled Balance |
|--------------------------------|-------------------------|--------------------|---------------------|-------------------------|
| | | Additions | Deletions | |
| Current Fund | \$ 2,863,513.56 | \$ 4,272.67 | \$ 27,981.31 | \$ 2,839,804.92 |
| Animal Control Fund | 11,972.46 | | | 11,972.46 |
| Other Trust Fund | 872,341.34 | 24.00 | 2,615.06 | 869,750.28 |
| General Capital Fund | 844,569.38 | 2.00 | 27,632.16 | 816,939.22 |
| Water Utility Operating Fund | 2,489,220.00 | 3,251.69 | 8,090.79 | 2,484,380.90 |
| Water Utility Capital Fund | 541,156.67 | 2.00 | | 541,158.67 |
| Sewer Utility Operating Fund | 1,069,564.29 | 1,342.96 | 5,251.53 | 1,065,655.72 |
| Sewer Utility Capital Fund | 1,563,181.56 | | 3,450.00 | 1,559,731.56 |
| <u>TOTAL DECEMBER 31, 2021</u> | <u>\$ 10,255,519.26</u> | <u>\$ 8,895.32</u> | <u>\$ 75,020.85</u> | <u>\$ 10,189,393.73</u> |

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The Town does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of December 31, 2021, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank \$500,000.00 was covered by Federal Depository Insurance and \$9,755,519.26 was covered under the provisions of NJGUDPA.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments

The purchase of investments by the Town is strictly limited by the express authority of the New Jersey Local Fiscal Affairs Law, N.J.S.A. 40A:5-15.1. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a-1 et seq., and operated in accordance with 17 C.F.R. § 270.2a-7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by Local Units;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a-7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 5-15.1. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.

NOTE 2: CASH AND CASH EQUIVALENTS (CONTINUED)

B. Investments (Continued)

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (c.52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (c. 17:19-41); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

The Town of Clinton had no investments outstanding at December 31, 2021.

Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the Town is generally not exposed to credit risks, custodial credit risks, concentration of credit risks and interest rate risk for its investments nor is it exposed to foreign currency risk for its deposits and investments.

NOTE 3: GOVERNMENTAL DEBT

The Local Bond Law, Chapter 40A:2, governs the issuance of bonds to finance general municipal capital expenditures. All bonds are retired in annual installments within the regulatory period of usefulness. All bonds issued by the Town are general obligation bonds, based by the full faith and credit of the Town. Bond Anticipation Notes, which are issued to temporarily finance capital projects, shall mature and be paid off within ten years or financed by the issuance of bonds.

SUMMARY OF MUNICIPAL DEBT

| | <u>YEAR 2021</u> | <u>YEAR 2020</u> | <u>YEAR 2019</u> |
|--|-------------------------|-------------------------|-------------------------|
| Issued: | | | |
| General: | | | |
| Bonds and Notes | \$ 3,261,035.00 | \$ 3,122,092.00 | \$ 3,329,092.00 |
| Water Utility: | | | |
| Bonds, Loans and Notes | 10,502,677.03 | 10,586,928.51 | 11,493,744.67 |
| Sewer Utility: | | | |
| Loans | <u>1,666,078.57</u> | <u>1,769,646.89</u> | <u>1,889,343.21</u> |
| <u>Total Debt Issued</u> | <u>\$ 15,429,790.60</u> | <u>\$ 15,478,667.40</u> | <u>\$ 16,712,179.88</u> |
| Less: | | | |
| Funds Temporarily held to Pay | | | |
| Bonds and Notes - General | \$ <u>0.63</u> | \$ <u>0.63</u> | \$ <u>0.63</u> |
| <u>Net Debt Issued</u> | <u>\$ 15,429,789.97</u> | <u>\$ 15,478,666.77</u> | <u>\$ 16,712,179.25</u> |
| Authorized But Not Issued: | | | |
| General - Bonds and Notes | \$ 568,193.49 | \$ 652,031.49 | \$ 442,680.49 |
| Water Utility - Bonds and Notes | 16,949,876.69 | 17,336,768.69 | 16,314,768.69 |
| Sewer Utility - Bonds and Notes | <u>3,989,400.00</u> | <u>3,889,400.00</u> | <u>3,389,400.00</u> |
| <u>Total Authorized But Not Issued</u> | <u>\$ 21,507,470.18</u> | <u>\$ 21,878,200.18</u> | <u>\$ 20,146,849.18</u> |
| NET BONDS AND NOTES ISSUED AND AUTHORIZED BUT NOT ISSUED | <u>\$ 36,937,260.15</u> | <u>\$ 37,356,866.95</u> | <u>\$ 36,859,028.43</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

SUMMARY OF REGULATORY DEBT CONDITION (ANNUAL DEBT STATEMENT)

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of .911%.

| | <u>GROSS DEBT</u> | <u>DEDUCTIONS</u> | <u>NET DEBT</u> |
|-------------------------------|-------------------------|-------------------------|------------------------|
| Regional School District Debt | \$ 1,038,599.30 | \$ 1,038,599.30 | \$ |
| Water Utility Debt | 27,452,553.72 | 27,452,553.72 | |
| Sewer Utility Debt | 5,655,478.57 | 5,655,478.57 | |
| General Debt | <u>3,829,228.49</u> | <u>0.63</u> | <u>3,829,227.86</u> |
| | <u>\$ 37,975,860.08</u> | <u>\$ 34,146,632.22</u> | <u>\$ 3,829,227.86</u> |

NET DEBT \$3,829,227.86 DIVIDED BY EQUALIZED VALUATION BASIS PER N.J.S.A. 40A:2-2, AS AMENDED, \$420,255,521.67 EQUALS .911%.

EQUALIZED VALUATION BASIS

| | |
|---|--------------------------|
| 2019 Equalized Valuation Basis of Real Property | \$ 411,548,365.00 |
| 2020 Equalized Valuation Basis of Real Property | 419,678,094.00 |
| 2021 Equalized Valuation Basis of Real Property | <u>429,540,106.00</u> |
| | <u>\$ 420,255,521.67</u> |

BORROWING POWER UNDER N.J.S.A. 40A:2-6 AS AMENDED

| | |
|--|--------------------------|
| Equalized Valuation Basis* - December 31, 2021 | <u>\$ 420,255,521.67</u> |
| 3-1/2% of Equalized Valuation Basis | \$ 14,708,943.26 |
| Net Debt | <u>3,829,227.86</u> |
| Remaining Borrowing Power | <u>\$ 10,879,715.40</u> |

*Equalized Valuation basis is the average of the equalized valuation of Real Estate, including improvements, and the assessed valuation of Class II Railroad Property of the Town for the last three (3) preceding years.

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

SCHOOL DEBT DEDUCTION

School debt is deductible up to the extent of 3% of the Average Equalized Assessed Valuation of real property for the Local and Regional School Districts.

CALCULATION OF "SELF-LIQUIDATING PURPOSE" WATER UTILITY
PER N.J.S.A. 40A:2-45

| | | |
|---|---------------------|------------------------|
| Cash Receipts from Fees, Rents of Other Charges for Year and Anticipated Surplus | | \$ 4,442,908.04 |
| Deduction: | | |
| Operating and Maintenance Cost | \$ 2,167,150.00 | |
| Debt Service Per Water Utility Account | <u>1,060,044.48</u> | |
| | | <u>3,227,194.48</u> |
| Excess in Revenue - Self Liquidating | | \$ <u>1,215,713.56</u> |

CALCULATION OF "SELF-LIQUIDATING PURPOSE" SEWER UTILITY
PER N.J.S.A. 40A:2-45

| | | |
|---|-------------------|----------------------|
| Cash Receipts from Fees, Rents of Other Charges for Year and Anticipated Surplus | | \$ 2,599,950.83 |
| Deduction: | | |
| Operating and Maintenance Cost | \$ 2,032,284.00 | |
| Debt Service Per Sewer Utility Account | <u>159,169.55</u> | |
| | | <u>2,191,453.55</u> |
| Excess in Revenue - Self Liquidating | | \$ <u>408,497.28</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

LONG-TERM DEBT

GENERAL CAPITAL FUND

Serial Bonds:

\$2,328,000.00 of 2013 General Obligation Bonds due in annual installments ranging between \$125,000.00 and \$250,000.00 through August 2026 at varying interest rates between 3.00% to 5.00%

\$ 1,078,000.00

WATER CAPITAL FUND

Serial Bonds:

\$8,043,000.00 of 2013 General Obligation Bonds due in annual installments ranging between \$250,000.00 and \$500,000.00 through August 2033 at varying interest rates between 3.00% to 5.00%

\$ 5,643,000.00

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

WATER CAPITAL FUND (CONTINUED)

New Jersey Environmental Infrastructure Trust:

| | |
|---|------------------------|
| \$1,910,000.00 of 2010 Trust Loan due in annual installments ranging between \$65,000.00 and \$150,000.00 through August 2027 at an interest rate of 5.00%. | \$ 538,000.00 |
| \$2,053,323.00 of 2010 Trust Fund due in annual installments of principal only ranging between \$38,880.72 and \$104,406.24 through August 2024 | 302,890.44 |
| \$405,000.00 of 2012 Trust Loan due in annual installments ranging between \$19,679.00 and \$28,132.00 through August 2031 at variable interest rates of 2.00% to 5.00%. | 242,032.00 |
| \$1,304,088.00 of 2012 Trust Fund due in annual installments of principal only ranging between \$19,411.73 and \$66,309.55 through August 2031 | 616,197.68 |
| \$370,000.00 of 2014 Trust Loan due in annual installments ranging between \$15,000.00 and \$25,000.00 through August 2033 at variable interest rates of 3.00% to 5.00%. | 265,000.00 |
| \$1,131,183.00 of 2014 Trust Fund due in annual installments of principal only ranging between \$57,517.77 and \$57,517.96 through August 2033 | 681,980.43 |
| \$440,000.00 of 2018 Trust Loan due in annual installments ranging between \$10,000.00 and \$25,000.00 through August 2047 at variable interest rates of 3.00% to 5.00%. | 410,000.00 |
| \$1,293,900.00 of 2018 Trust Fund due in annual installments of principal only ranging between \$43,614.60 and \$43,614.80 through August 2047 | 1,133,979.80 |
| \$635,000.00 of 2021 Trust Loan due in annual installments ranging between \$15,000.00 and \$30,000.00 through August 2020 at variable interest rates of 2.25.00% to 5.00%. | 635,000.00 |
| \$35,392.00 of 2021 Trust Fund due in annual installments of principal only ranging between \$1,192.98 and \$1,193.24 through August 2050 | <u>34,596.68</u> |
| | <u>\$ 4,859,677.03</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

LONG-TERM DEBT (CONTINUED)

SEWER CAPITAL FUND

Serial Bonds:

\$1,500,000.00 of 2013 General Obligation Bonds due in annual installments ranging between \$50,000.00 and \$100,000.00 through August 2033 at varying interest rates between 3.00% to 5.00% \$ 1,100,000.00

New Jersey Wastewater Treatment Trust:

\$515,000.00 of 2012 Trust Loan due in final annual installment of \$20,000.00 to \$40,000.00 through August 2031 at a variable interest rate of 2.00% to 5.00%. \$ 303,872.00

\$561,844.00 of 2012 Trust Fund due in annual installments of principal only ranging between \$5,091.69 and \$28,568.32 through August 2013 262,206.57
\$ 566,078.57

Bonds and Notes Authorized But Not Issued

At December 31, 2021, the Town has authorized but not issued bonds and notes as follows:

| | |
|----------------------------|------------------------|
| General Capital Fund | <u>\$568,193.49</u> |
| Water Utility Capital Fund | <u>\$16,949,876.69</u> |
| Sewer Utility Capital Fund | <u>\$3,989,400.00</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL
AND INTEREST FOR BONDED DEBT AS OF DECEMBER 31, 2021

GENERAL CAPITAL FUND

| <u>CALENDAR YEAR</u> | <u>PRINCIPAL</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|--------------------------|------------------------|----------------------|------------------------|
| 2022 | \$ 200,000.00 | \$ 39,370.00 | \$ 239,370.00 |
| 2023 | 200,000.00 | 31,370.00 | 231,370.00 |
| 2024 | 200,000.00 | 24,870.00 | 224,870.00 |
| 2025 | 250,000.00 | 17,870.00 | 267,870.00 |
| 2026 | <u>228,000.00</u> | <u>9,120.00</u> | <u>237,120.00</u> |
| | <u>\$ 1,078,000.00</u> | <u>\$ 122,600.00</u> | <u>\$ 1,200,600.00</u> |

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL
AND INTEREST FOR BONDED DEBT AS OF DECEMBER 31, 2021

WATER CAPITAL UTILITY FUND

| <u>CALENDAR YEAR</u> | <u>PRINCIPAL</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|--------------------------|------------------------|------------------------|------------------------|
| 2022 | \$ 400,000.00 | \$ 220,952.50 | \$ 620,952.50 |
| 2023 | 450,000.00 | 204,952.50 | 654,952.50 |
| 2024 | 450,000.00 | 190,327.50 | 640,327.50 |
| 2025 | 450,000.00 | 174,577.50 | 624,577.50 |
| 2026 | 450,000.00 | 158,827.50 | 608,827.50 |
| 2027 | 450,000.00 | 140,827.50 | 590,827.50 |
| 2028 | 500,000.00 | 122,827.50 | 622,827.50 |
| 2029 | 500,000.00 | 102,827.50 | 602,827.50 |
| 2030 | 500,000.00 | 82,827.50 | 582,827.50 |
| 2031 | 500,000.00 | 62,827.50 | 562,827.50 |
| 2032 | 500,000.00 | 42,202.50 | 542,202.50 |
| 2033 | <u>493,000.00</u> | <u>20,952.50</u> | <u>513,952.50</u> |
| | <u>\$ 5,643,000.00</u> | <u>\$ 1,524,930.00</u> | <u>\$ 7,167,930.00</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL
AND INTEREST FOR BONDED DEBT AS OF DECEMBER 31, 2021

SEWER CAPITAL UTILITY FUND

| <u>CALENDAR YEAR</u> | <u>PRINCIPAL</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|--------------------------|------------------------|----------------------|------------------------|
| 2022 | \$ 50,000.00 | \$ 43,250.00 | \$ 93,250.00 |
| 2023 | 50,000.00 | 41,250.00 | 91,250.00 |
| 2024 | 100,000.00 | 39,625.00 | 139,625.00 |
| 2025 | 100,000.00 | 36,125.00 | 136,125.00 |
| 2026 | 100,000.00 | 32,625.00 | 132,625.00 |
| 2027 | 100,000.00 | 28,625.00 | 128,625.00 |
| 2028 | 100,000.00 | 24,625.00 | 124,625.00 |
| 2029 | 100,000.00 | 20,625.00 | 120,625.00 |
| 2030 | 100,000.00 | 16,625.00 | 116,625.00 |
| 2031 | 100,000.00 | 12,625.00 | 112,625.00 |
| 2032 | 100,000.00 | 8,500.00 | 108,500.00 |
| 2033 | <u>100,000.00</u> | <u>4,250.00</u> | <u>104,250.00</u> |
| | \$ <u>1,100,000.00</u> | \$ <u>308,750.00</u> | \$ <u>1,408,750.00</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL
AND INTEREST FOR NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE
TRUST LOAN AS OF DECEMBER 31, 2021

WATER CAPITAL UTILITY FUND

| <u>CALENDAR YEAR</u> | <u>STATE PRINCIPAL</u> | <u>TRUST PRINCIPAL</u> | <u>TRUST INTEREST</u> | <u>TOTAL</u> |
|--------------------------|----------------------------|----------------------------|---------------------------|------------------------|
| 2022 | \$ 273,041.14 | \$ 155,679.00 | \$ 71,092.19 | \$ 499,812.33 |
| 2023 | 273,041.14 | 160,534.00 | 65,711.78 | 499,286.92 |
| 2024 | 262,712.86 | 164,383.00 | 57,897.50 | 484,993.36 |
| 2025 | 168,634.90 | 183,889.00 | 49,903.74 | 402,427.64 |
| 2026 | 168,634.90 | 187,678.00 | 41,394.72 | 397,707.62 |
| 2027 | 168,634.90 | 100,460.00 | 32,707.32 | 301,802.22 |
| 2028 | 168,634.90 | 83,127.00 | 28,766.26 | 280,528.16 |
| 2029 | 168,634.90 | 88,132.00 | 25,966.28 | 282,733.18 |
| 2030 | 168,634.90 | 88,101.00 | 23,029.14 | 279,765.04 |
| 2031 | 121,737.08 | 88,049.00 | 20,302.42 | 230,088.50 |
| 2032 | 102,325.35 | 60,000.00 | 17,799.32 | 180,124.67 |
| 2033 | 94,092.54 | 60,000.00 | 16,108.86 | 170,201.40 |
| 2034 | 44,807.58 | 35,000.00 | 14,404.78 | 94,212.36 |
| 2035 | 44,807.58 | 35,000.00 | 13,508.72 | 93,316.30 |
| 2036 | 44,807.58 | 35,000.00 | 12,668.74 | 92,476.32 |
| 2037 | 44,807.58 | 35,000.00 | 11,962.50 | 91,770.08 |
| 2038 | 44,807.58 | 40,000.00 | 11,156.24 | 95,963.82 |
| 2039 | 44,807.58 | 45,000.00 | 10,200.00 | 100,007.58 |
| 2040 | 44,807.58 | 45,000.00 | 9,225.00 | 99,032.58 |
| 2041 | 44,807.58 | 45,000.00 | 8,225.00 | 98,032.58 |
| 2042 | 44,807.58 | 45,000.00 | 7,225.00 | 97,032.58 |
| 2043 | 44,807.58 | 45,000.00 | 6,225.00 | 96,032.58 |
| 2044 | 44,807.58 | 45,000.00 | 5,225.00 | 95,032.58 |
| 2045 | 44,807.58 | 45,000.00 | 4,225.00 | 94,032.58 |
| 2046 | 44,807.58 | 45,000.00 | 3,225.00 | 93,032.58 |
| 2047 | 44,807.78 | 50,000.00 | 2,225.00 | 97,032.78 |
| 2048 | 1,192.98 | 25,000.00 | 1,012.50 | 27,205.48 |
| 2049 | 1,192.98 | 25,000.00 | 675.00 | 26,867.98 |
| 2050 | 1,193.24 | 30,000.00 | 337.50 | 31,530.74 |
| | <u>\$ 2,769,645.03</u> | <u>\$ 2,090,032.00</u> | <u>\$ 572,405.51</u> | <u>\$ 5,432,082.54</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

LONG-TERM DEBT (CONTINUED)

SCHEDULE OF ANNUAL DEBT SERVICE FOR PRINCIPAL
AND INTEREST FOR NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE
TRUST LOAN AS OF DECEMBER 31, 2021

SEWER CAPITAL UTILITY FUND

| <u>CALENDAR YEAR</u> | <u>STATE PRINCIPAL</u> | <u>TRUST PRINCIPAL</u> | <u>TRUST INTEREST</u> | <u>TOTAL</u> |
|--------------------------|----------------------------|----------------------------|---------------------------|----------------------|
| 2022 | \$ 28,568.32 | \$ 24,631.00 | \$ 10,467.40 | \$ 63,666.72 |
| 2023 | 28,568.32 | 24,450.00 | 9,482.16 | 62,500.48 |
| 2024 | 28,568.32 | 28,927.00 | 8,504.16 | 65,999.48 |
| 2025 | 28,568.32 | 28,684.00 | 7,347.08 | 64,599.40 |
| 2026 | 28,568.32 | 28,432.00 | 6,199.72 | 63,200.04 |
| 2027 | 28,568.32 | 32,835.00 | 5,062.44 | 66,465.76 |
| 2028 | 28,568.32 | 32,840.00 | 4,077.40 | 65,485.72 |
| 2029 | 28,568.32 | 32,846.00 | 3,092.20 | 64,506.52 |
| 2030 | 28,568.32 | 32,811.00 | 2,106.82 | 63,486.14 |
| 2031 | <u>5,091.69</u> | <u>37,416.00</u> | <u>1,122.48</u> | <u>43,630.17</u> |
| | \$ <u>262,206.57</u> | \$ <u>303,872.00</u> | \$ <u>57,461.86</u> | \$ <u>623,540.43</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

SHORT-TERM DEBT

In accordance with NJSA 40A:2-8.1, a local unit may, in anticipation of the issuance of bonds, borrow money and issue notes if the bond ordinance or subsequent resolution so provides. Any such note shall be designated as a "bond anticipation note" and shall be subject to the following provisions:

(1) every note shall contain a recital that it is issued for a period not exceeding one year and may be renewed from time to time for additional periods, none of which shall exceed one year;

(2) all such notes, including renewals, shall mature and be paid not later than the first day of the fifth month following the close of the tenth fiscal year next following the date of the original notes; and

(3) no such notes shall be renewed beyond the third anniversary date of the original notes unless an amount of such notes, at least equal to the first legally payable installment of the bonds in anticipation of which those notes are issued, is paid and retired on or before each subsequent anniversary date beyond which such notes are renewed from funds other than the proceeds of obligations.

Bond Anticipation Notes

Outstanding Bond Anticipation Notes are summarized as follows:

| GENERAL CAPITAL | INTEREST | ORIGINAL | | |
|--------------------|-------------|---------------|----|---------------------|
| <u>ORDINANCE #</u> | <u>RATE</u> | <u>ISSUED</u> | | <u>AMOUNT</u> |
| | | <u>DATE</u> | | |
| 2014-08 | 1.00% | 8/20/2015 | \$ | 66,517.00 |
| 2014-15 | 1.00% | 8/20/2015 | | 182,782.00 |
| 2014-18 | 1.00% | 8/20/2015 | | 78,945.00 |
| 2015-11 | 1.00% | 8/20/2015 | | 83,260.00 |
| 2016-09 | 1.00% | 8/18/2016 | | 389,588.00 |
| 2019-01 | 1.00% | 8/15/2019 | | 276,000.00 |
| 2019-09 | 1.00% | 8/15/2019 | | 494,000.00 |
| 2020-10 | 1.00% | 8/06/2020 | | 133,000.00 |
| 2020-14 | 1.00% | 8/05/2021 | | 202,588.00 |
| 2021-14 | 1.00% | 8/05/2021 | | 133,855.00 |
| 2021-18 | 1.00% | 8/05/2021 | | <u>142,500.00</u> |
| | | | \$ | <u>2,183,035.00</u> |

NOTE 3: GOVERNMENTAL DEBT (CONTINUED)

SHORT-TERM DEBT (CONTINUED)

In accordance with NJSA 40A:4 sections 64 through 73, in any fiscal year, in anticipation of the collection of taxes for such year, whether levied in such year, or in anticipation of other revenue for such year, the Town may, by resolution, borrow money and issue its negotiable notes, each of which shall be designated by the fiscal year to which it pertains. The proceeds may be used to pay outstanding previous notes of same purpose, or for purposes provided for in the budget or for which taxes are levied or to be levied for in such year. The amount outstanding shall not exceed an amount certified as the gross borrowing power, and no such notes shall be authorized in excess of an amount certified as the net borrowing power. Tax anticipation notes may be renewed from time to time, but any note shall mature within 120 days after the beginning of the succeeding fiscal year, and bear an interest rate that does not exceed 6%. The Town did not have any Tax Anticipation Notes in 2021.

NOTE 4: FUND BALANCES APPROPRIATED

Fund balances at December 31, 2021, which were appropriated and included as anticipated revenue in their own respective funds for the year ending December 31, 2022, were as follows:

| | |
|----------------------|--------------|
| Current Fund | \$500,000.00 |
| Water Operating Fund | \$ -0- |
| Sewer Operating Fund | \$331,030.00 |

NOTE 5: PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied based on the final adoption of the current year municipal budget, and are payable in four installments on February 1, May 1, August 1 and November 1. The Town bills and collects its own property taxes and also taxes for the County and local school district. The collections and remittance of county and school taxes are accounted for in the Current Fund. Town property tax revenues are recognized when collected in cash and any receivables are recorded with offsetting reserves on the balance sheet of the Town's Current Fund.

Taxes Collected in Advance - Taxes collected in advance and recorded as cash liabilities in the financial statements are as follows:

| | BALANCE DECEMBER 31, 2021 | BALANCE DECEMBER 31, 2020 |
|---------------|---------------------------------|---------------------------------|
| Prepaid Taxes | <u>\$63,866.39</u> | <u>\$72,503.68</u> |

NOTE 6: PENSION PLANS

Substantially all eligible employees participate in the Public Employees' Retirement System (PERS), or the Police, Firemen's Retirement System (PFRS) or the Defined Contribution Retirement System (DCRP), which have been established by state statute and are administered by the New Jersey Division of Pensions and Benefits. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System, Police and Fireman's Retirement System and Consolidated Police and Firemen's Pension Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625 or are available online at www.nj.gov/treasury/pensions/annrpts.shtml.

Public Employees' Retirement System (PERS) - The Public Employees' Retirement System (PERS) was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A, to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple employer plan. Membership is mandatory for substantially, all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state pension fund or local jurisdiction's pension fund.

Police and Fireman's Retirement System (PFRS) - The Police and Fireman's Retirement System (PFRS) was established as of July 1, 1944, under the provisions of N.J.S.A. 43:16A, to provide retirement, death, and disability benefits to its members. The PFRS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially, all full-time county and municipal police or firemen or officer employees with police powers appointed after June 30, 1944.

Defined Contribution Retirement Program (DCRP) - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and was expanded under the provisions of Chapter 89, P.L. 2009. The DCRP provides eligible employees and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance coverage and disability coverage.

NOTE 6: PENSION PLANS (CONTINUED)

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:36. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service. Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving ten years of service credit. In which case, benefits would begin the first day of the month after the member attains normal retirement age.

The vesting and benefit provisions for PFRS are set by N.J.S.A. 43:16A and 43:36. All benefits vest after ten years of service, except for disability benefits, which vest after four years of service. Retirement benefits for age and service are available at age 55. Members may seek special retirement after achieving 25 years of creditable service or they may elect deferred retirement after achieving ten years of service.

Newly elected or appointed officials that have an existing DCRP account, or are a member of another State-administered retirement system are immediately invested in the DCRP. For newly elected or appointed officials that do not qualify for immediate vesting in the DCRP. Employee and employer contributions are held during the initial year of membership. Upon commencing the second year of DCRP membership, the member is fully invested. However, if a member is not eligible to continue in the DCRP for a second year of membership, the member may apply for a refund of the employee contributions from the DCRP, while the employer contributions will revert back to the employer. Employees are required to contribute 5.5% of their base salary and employers contribute 3.0%.

Funding Policy

The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group life insurance benefits is based on actual claims paid. For fiscal year 2019, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. During 2021, PERS provides for employee contributions of 7.50% of employees' base salary.

NOTE 6: PENSION PLANS (CONTINUED)

Funding Policy (Continued)

The contribution policy for PFRS is set by N.J.S.A. 43:16A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's contribution amount is based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. For the fiscal year 2018, the State contributed an amount less than the actuarially determined amount. During 2021, PFRS provides for employee contributions of 10.00% of employees' base salary.

The Town's share of pension costs, which is based upon the annual billings received from the State, amounted to:

| <u>YEAR</u> | | <u>PERS</u> | | <u>PFRS</u> |
|-------------|----|-------------|----|-------------|
| 2021 | \$ | 203,804.00 | \$ | 312,938.00 |
| 2020 | | 201,646.00 | | 273,155.00 |
| 2019 | | 211,653.00 | | 267,473.00 |

All contributions were equal to the required contributions for each of the three years, respectively.

Certain Town employees are also covered by Federal Insurance Contribution Act.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions – GASB 68

The Governmental Accounting Standards Board (GASB) has issued Statement No. 68 "Accounting and Financial Reporting for Public Employees Pensions" which requires the State of New Jersey to calculate and allocate, for note disclosure purposes only, the unfunded net pension liability of Public Employees Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) of the participating municipality as of December 31, 2020. The statement does not alter the amounts of funds that must be budgeted for pension payments under existing state law.

Under accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, any unfunded net pension liability of the municipality, allocated by the State of New Jersey, is not required to be reported in the financial statements as presented and any pension contributions required to be paid are raised in that year's budget and no liability is accrued at December 31, 2021.

Public Employees Retirement System (PERS)

At June 30, 2020, the State reported a net pension liability of \$3,038,084.00 for the Town's proportionate share of the total net pension liability. The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the Town's proportion was 0.0186301094 percent, which was a decrease of 0.0020301021 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State recognized an actuarially determined pension expense of \$44,386.00 for the Town's proportionate share of the total pension expense. The pension expense recognized in the Town's financial statements based on the April 1, 2020 billing was \$200,963.00.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| | <u>Deferred Outflow of Resources</u> | <u>Deferred Inflow of Resources</u> |
|---|--|---|
| Differences between expected and actual experience | \$ 55,319.00 | \$ 10,744.00 |
| Changes of assumptions | 98,559.00 | 1,272,074.00 |
| Net difference between projected and actual earnings on pension plan investments | 103,844.00 | |
| Changes in proportion and differences between Town contributions and proportionate share of contributions | <u>147,118.00</u> | <u>444,145.00</u> |
| | <u>\$ 404,840.00</u> | <u>\$ 1,726,963.00</u> |

Other local amounts reported by the State as the Town's proportionate share of deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the State's actuarially calculated pension expense as follows:

| <u>Year Ended June 30,</u> | <u>Amount</u> |
|--------------------------------|-------------------------|
| 2021 | (\$440,629.40) |
| 2022 | (406,965.40) |
| 2023 | (258,027.40) |
| 2024 | (139,724.40) |
| 2025 | <u>(76,776.40)</u> |
| | <u>(\$1,322,123.00)</u> |

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. These actuarial valuations used the following assumptions:

| | <u>June 30, 2020</u> |
|---------------------------|----------------------|
| Inflation | |
| Price | 2.75% |
| Wage | 3.25% |
| Salary Increases | |
| Through 2026 | 2.00-6.00% |
| Thereafter | 3.00-7.00% |
| | Based on |
| | Years of Service |
| Investment Rate of Return | 7.00% |

Pre-retirement mortality rates were based on the Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at both June 30, 2020 and June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2020 are summarized in the following table:

| <u>Assets Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| US Equity | 27.00% | 7.71% |
| Non-U.S. Developed Market Equity | 13.50% | 8.57% |
| Emerging Market Equity | 5.50% | 10.23% |
| Private Equity | 13.00% | 11.42% |
| Real Assets | 3.00% | 9.73% |
| Real Estate | 8.00% | 9.56% |
| High Yield | 2.00% | 5.95% |
| Private Credit | 8.00% | 7.59% |
| Investment Grade Credit | 8.00% | 2.67% |
| Cash Equivalents | 4.00% | 0.50% |
| U.S. Treasury's | 5.00% | 1.94% |
| Risk Mitigation Strategies | 3.00% | 3.40% |

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Public Employees Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 6.28% as of June 30, 2020 and June 30, 2019, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the Town's proportionate share of net pension liability to changes in the discount rate

The following presents the Town's proportionate share of the net pension liability of the participating employers as of June 30, 2020 respectively, calculated using the discount rate as disclosed above as well as what the Town's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

| | June 30, 2020 | | |
|--|--------------------------------|---|--------------------------------|
| | 1% Decrease <u>6.00%</u> | At Current Discount Rate <u>7.00%</u> | 1% Increase <u>8.00%</u> |
| Town's proportionate share of the pension liability | \$3,824,440.00 | \$3,038,084.00 | \$2,370,838.00 |

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS)

At June 30, 2020, the State reported a net pension liability of \$3,619,475.00 for the Town's proportionate share of the total PFRS net pension liability. The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which was rolled forward to June 30, 2020. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2020, the Town's proportion was 0.0280116509 percent, which was an increase of 0.0009707669 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State recognized an actuarially determined pension expense of \$257,107.00. The pension expense recognized in the Town's financial statements based on the April 1, 2020 billing was \$273,155.00.

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to PFRS from the following sources:

| | <u>Deferred Outflow of Resources</u> | <u>Deferred Inflow of Resources</u> |
|---|--|---|
| Differences between expected and actual experience | \$ 36,490.00 | \$ 12,990.00 |
| Changes of assumptions | 9,108.00 | 970,360.00 |
| Net difference between projected and actual earnings on pension plan investments | 212,227.00 | |
| Changes in proportion and differences between Town contributions and proportionate share of contributions | <u>412,943.00</u> | <u>159,193.00</u> |
| | \$ <u><u>670,768.00</u></u> | \$ <u><u>1,142,543.00</u></u> |

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended | | |
|----------------|----|---------------------|
| <u>June 30</u> | | <u>Amount</u> |
| 2021 | \$ | (287,827.00) |
| 2022 | | (177,748.00) |
| 2023 | | (42,273.00) |
| 2024 | | 15,609.00 |
| 2025 | | <u>20,464.00</u> |
| | \$ | <u>(471,775.00)</u> |

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement date was determined by an actuarial valuation as of July 1, 2019, which rolled forward to June 30, 2020. This actuarial valuation used the following assumptions:

| | <u>June 30, 2020</u> |
|---------------------------|---------------------------|
| Inflation: | |
| Price | 2.75% |
| Wage | 3.25% |
| Salary Increases | |
| Through all future years | 3.25-15.25% |
| | Based on years of Service |
| Investment Rate of Return | 7.00% |

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Actuarial Assumptions (Continued)

Pre-retirement mortality rates were based on the Pub-2010 Safety Employee mortality table with a 105.6% adjustment for males and 102.5% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For healthy annuitants, post-retirement mortality rates were based on the Pub-2010 Safety Retiree Below-Median Income Weighted mortality table with a 96.7% adjustment for males and 96.0% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. For beneficiaries, the Pub-2010 General Retiree Below-Median Income Weighted mortality table was used, unadjusted, and with future improvement from the base year of 2010 on a generational basis. Disability rates were based on the Pub-2010 Safety Disabled Retiree mortality table with a 152.0% adjustment for males and 109.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2020.

The actuarial assumptions used in the July 1, 2019 valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00 percent at June 30, 2020 and June 30, 2019) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PFRS's target asset allocation as of June 30, 2020 are summarized in the following table:

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Long-Term Rate of Return (Continued)

| <u>Assets Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|----------------------------------|--------------------------|---|
| US Equity | 27.00% | 7.71% |
| Non-U.S. Developed market Equity | 13.50% | 8.57% |
| Emerging Market Equity | 5.50% | 10.23% |
| Private Equity | 13.00% | 11.42% |
| Real Assets | 3.00% | 9.73% |
| Real Estate | 8.00% | 9.56% |
| High Yield | 2.00% | 5.95% |
| Private Credit | 8.00% | 7.59% |
| Investment Grade Credit | 8.00% | 2.67% |
| Cash Equivalents | 4.00% | 0.50% |
| U.S. Treasury's | 5.00% | 1.94% |
| Risk Mitigation Strategies | 3.00% | 3.40% |

Discount Rate

The discount rate used to measure the total pension liability was 7.00% and 6.85% as of June 30, 2020 and June 30, 2019, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 78% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate

The following presents the Town's proportionate share of the net pension liability of the participating employers as of June 30, 2020 respectively, calculated using the discount rate as disclosed above as well as what the Town's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1- percentage point higher than the current rate:

| | June 30, 2020 | | |
|---|--------------------------------|---|--------------------------------|
| | 1% Decrease <u>6.00%</u> | At Current Discount Rate <u>7.00%</u> | 1% Increase <u>8.00%</u> |
| Town's proportionate share of the PFRS pension liability | \$4,813,156.00 | \$3,619,475.00 | \$2,628,031.00 |

Special Funding Situation

In accordance with N.J.S.A. 43:16A-15, local participating employers are responsible for their own contributions based on actuarially determined amounts, except where legislation was passed which legally obligated the State if certain circumstances occurred. The legislation which legally obligates the State is as follows: Chapter 8, P.L. 2000, Chapter 318, P.c. 2001, Chapter 86, P.L. 2001, Chapter 511, P.L. 1991, Chapter 109, P.c. 1979, Chapter 247, P.L. 1993 and Chapter 201, P.L. 2001. The amounts contributed by the State on behalf of the Town under this legislation is considered to be a special funding situation as defined by GASB Statement No. 68, and the State is treated as a nonemployer contributing entity. Since the Town does not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to disclose in the notes to the financial statements of the Town related to this legislation.

NOTE 6: PENSION PLANS (CONTINUED)

Accounting and Financial Reporting for Pensions - GASB 68 (Continued)

Police and Firemen's Retirement System (PFRS) (Continued)

Special Funding Situation

At June 30, 2020 and 2019, the State's proportionate share of the net pension liability attributable to the Town for the PFRS special funding situation is \$561,726.00 and \$522,555.00, respectively.

At June 30, 2020, the Town's and State of New Jersey's proportionate share of the PFRS net pension liability were as follows:

| | |
|--|-----------------------|
| Town's Proportionate Share of Net Pension Liability | \$3,619,475.00 |
| State of New Jersey Proportionate Share of Net Pension Liability Associated with the Town | <u>561,726.00</u> |
| | <u>\$4,181,201.00</u> |

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Police and Firemen's Retirement System (PFRS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

NOTE 7: COMPENSATED ABSENCES

The Town has created an accrued sick leave and vacation benefits policy as part of their personnel policy. Employees receive one sick day per month of service, which may be accumulated from year to year if unused. Upon retirement, an employee having a minimum of 15 years of service with the Town is compensated one day's pay for every four days of accrued sick leave for maximum compensation of \$10,000.00. Employees covered under the PBA contract are compensated one day's pay for every two days of accrued sick leave with a maximum compensation of \$15,000.00.

A maximum of three unused vacation days at the end of the year may be carried forward and taken prior to April 1st of the following year. If an employee voluntarily terminates employment with the Town and gives proper notice of at least two weeks, they are paid for entitled vacation days not yet taken at time of termination. The accumulated cost of such unpaid compensation is not required to be reported in the financial statements as presented but has been calculated to be \$227,766.92. The Town has established a Trust Fund Reserve which has accumulated \$74,514.98 for this purpose.

NOTE 8: LITIGATION

The Town Attorney's letter did not indicate any litigation, claims or contingent liabilities that are either not covered by the Town's insurance carrier or would have a material financial impact on the Town.

NOTE 9: TAX APPEALS

There are tax appeals filed with the County and State Tax Court of New Jersey requesting a reduction of assessments for the year 2021. Any reduction in assessed valuation will result in a refund of prior years' taxes in the year of settlement, which may be funded from tax revenues through the establishment of a reserve or by the issuance of refunding bonds per N.J.S.A. 40A:2-51.

NOTE 10: CONTINGENT LIABILITIES

The Town participates in several federal and state financial assistance grant programs. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of funds for eligible purposes. Findings and questioned costs, if any, relative to federal and state financial assistance programs will be discussed in detail in Part II of the 2021 audit report. In addition, these programs are also subject to compliance and financial audits by the grantors or their representatives. As of December 31, 2021, the Town does not believe that any material liabilities will result from such audits.

NOTE 11: RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The Town maintains commercial insurance coverage through the Statewide Insurance Fund covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Town. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance - The Town has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the Town is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The Town is billed quarterly for amounts due to the State. The following table is a summary of Town contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the Town's expendable trust fund for the current and previous two years:

| <u>Fiscal Year</u> | <u>Interest Earned</u> | <u>Employee Contributions</u> | <u>Amount Reimbursed</u> | <u>Ending Balance</u> |
|------------------------|----------------------------|-----------------------------------|------------------------------|---------------------------|
| 2021 | \$ 18.24 | \$ 4,336.82 | \$ 4,333.42 | \$ 138,433.78 |
| 2020 | 821.05 | 4,163.21 | 448.31 | 138,412.14 |
| 2019 | 1,715.19 | 4,096.49 | 431.09 | 133,876.19 |

NOTE 12: DEFERRED COMPENSATION PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Town employees, permits them to defer a portion of their salaries until future years. The Town does not make any contribution to the Plan. The deferred compensation is not available to employees until retirement, death, disability, termination or financial hardships.

The Plan is administered by AXA Equitable and Lincoln Life.

The accompanying financial statements do not include the Town's Deferred Compensation Plan activities. The Town's Deferred Compensation Plan financial statements are contained in a separate review report.

NOTE 13: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheets at December 31, 2021:

| <u>FUND</u> | <u>INTERFUND RECEIVABLE</u> | <u>INTERFUND PAYABLE</u> |
|------------------------------|---------------------------------|------------------------------|
| Current Fund | \$ 13,057.00 | \$ 570,161.11 |
| Grant Fund | 275,826.97 | |
| Trust Other Fund | | 13,057.00 |
| General Capital Fund | 294,334.14 | |
| Water Utility Operating Fund | 1,671,019.00 | |
| Water Utility Capital Fund | | 1,671,019.00 |
| Sewer Utility Operating Fund | 100,000.00 | |
| Sewer Utility Capital Fund | | 100,000.00 |
| | <u>\$ 2,354,237.11</u> | <u>\$ 2,354,237.11</u> |

All balances resulted from the time lag between the dates that payments between funds are made.

NOTE 14: LENGTH OF SERVICE AWARDS PROGRAM

The Town of Clinton adopted an ordinance establishing a Length of Service Awards Program for the members of the volunteer Fire Department and the First Aid and Rescue Squad pursuant to N.J.S.A. 40A:14-183 *et seq.*

Under this program, each eligible volunteer of the Fire Department or First Aid and Rescue Squad will have an annual contribution deposited into a tax deferred income account that will earn interest for the volunteer. The estimated annual cost of this program is \$15,000.00.

The accompanying financial statements do not include the Town's Length of Service Awards Program's activities. The Town's Length of Service Awards Program's financial statements are contained in a separate review report as required by state regulation.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement establishes standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses for postemployment benefits other than pensions. OPEB obligations are non-pension benefits that the municipality has contractually or otherwise agreed to provide employees once they have retired and, in most instances, will be for retirement health, prescription and dental insurance coverage.

Under current New Jersey budget and financial reporting requirements, the municipality is not required to fund any amounts in excess of their current costs on a pay-as-you-go basis or to accrue funds, create a trust or issue debt to finance their other post-employment benefit liability. Additionally, the municipality is not required to recognize any long-term obligations resulting from OPEB on their financial statements.

Plan Description and Benefits Provided

The State Health Benefit Local Government Retired Employees Plan (the Plan) is a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan with a special funding situation. It covers employees of local government employers that have adopted a resolution to participate in the Plan. The Plan meets the definition of an equivalent arrangement as defined in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other Than Pensions*; therefore, assets are accumulated to pay associated benefits.

The Plan provides medical and prescription drug coverage to retirees and their covered dependents of the employers. Under the provisions of Chapter 88, P.L. 1974 and Chapter 48, P.L. 1999, local government employers electing to provide postretirement medical coverage to their employees must file a resolution with the Division. Under Chapter 88, local employers elect to provide benefit coverage based on the eligibility rules and regulations promulgated by the State Health Benefits Commission. Chapter 48 allows local employers to establish their own age and service eligibility for employer paid health benefits coverage for retired employees.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Plan Description and Benefits Provided (Continued)

Under Chapter 48, the employer may assume the cost of postretirement medical coverage for employees and their dependents who: 1) retired on a disability pension; or 2) retired with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 3) retired and reached the age of 65 with 25 or more years of service credit in a State or locally administered retirement system and a period of service of up to 25 years with the employer at the time of retirement as established by the employer; or 4) retired and reached age 62 with at least 15 years of service with the employer. Further, the law provides that the employer paid obligations for retiree coverage may be determined by means of a collective negotiations' agreement.

In accordance with Chapter 330, P.L. 1997, which is codified in N.J.S.A 52: 14-17.32i, the State provides medical and prescription coverage to local police officers and firefighters, who retire with 25 years of service or on a disability from an employer who does not provide postretirement medical coverage. Local employers were required to file a resolution with the Division in order for their employees to qualify for State-paid retiree health benefits coverage under Chapter 330.

The State also provides funding for retiree health benefits to survivors of local police officers and firefighters who die in the line of duty under Chapter 271, P.L.1989.

Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of their health care coverage in retirement provided they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement benefit and level of coverage.

Contributions

The Town's annual contributions to the Plan for retirees were \$240,190.23 for 2020, \$102,188.52 for 2019 and \$95,663.08 for 2018 which equaled the required contributions for that year.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Total Net OPEB Liability

At June 30, 2020, the Plan reported a liability of \$8,611,682.00 for the Town's proportionate share of the collective net OPEB liability. The total Net OPEB Liability measured as of June 30, 2020 was determined by an actuarial valuation as of June 30, 2019, which was rolled forward to June 30, 2020.

The Town's proportion of the Net OPEB Liability was based on the ratio of the plan members of an individual employer to the total members of the Plan's nonspecial funding situation during the measurement period July 1, 2019 through June 30, 2020.

At June 30, 2020, the Town's proportion was 0.047985 percent, which was an increase of 0.006852 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, the State reported OPEB expense of \$205,009.00. This OPEB benefit was based on the OPEB plans June 30, 2020 measurement date.

At June 30, 2020, the State reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflow of <u>Resources</u> | Deferred Inflow of <u>Resources</u> |
|--|--|---|
| Differences between expected and actual experience | \$226,825 | \$1,603,656 |
| Changes of assumptions | 1,288,037 | 1,915,105 |
| Net difference between projected and actual earnings on OPEB plan investments | 5,469 | - |
| Changes in proportion | <u>1,550,455</u> | <u>533,792</u> |
| | <u>\$3,070,786</u> | <u>\$4,052,553</u> |

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Other local amounts reported by the State as the Town's proportionate share of deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the State's actuarially calculated pension (benefit)/expense as follows:

| Year Ended | |
|------------------|---------------------------|
| <u>June 30.</u> | <u>Amount</u> |
| 2021 | (\$259,588) |
| 2022 | (260,008) |
| 2023 | (260,686) |
| 2024 | (261,306) |
| 2025 | (113,492) |
| Total Thereafter | <u>173,315</u> |
| | <u><u>(\$981,767)</u></u> |

Actuarial Assumptions and Other Inputs

The actuarial assumptions vary for each plan member depending on the pension plan the member is enrolled in. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

| | | |
|--|-----------------|-----------------|
| | <u>2020</u> | <u>2019</u> |
| Inflation rate | 2.50% | 2.50% |
| Salary Increases: | | |
| Public Employees Retirement System (PERS): | | |
| Initial fiscal Year Applied | | |
| Rate through 2026 | 2.00% to 6.00% | 2.00% to 6.00% |
| Rate thereafter | 3.00% to 7.00% | 3.00% to 7.00% |
| Police and Firemen's Retirement System (PFRS): | | |
| Rate for all future years | 3.25% to 15.25% | 3.25% to 15.25% |

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Actuarial Assumptions and Other Inputs (Continued)

Mortality:

| | |
|------|--|
| PERS | Pub-2010 General classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2020 |
| PFRS | Pub-2010 Safety classification headcount weighted mortality with fully generational mortality improvement projections from the central year using scale MP-2020 |

* Salary increases are based on the defined benefit plan that the member is enrolled in and his or her age.

Actuarial assumptions used in the July 1, 2019 valuation were based on the results of the PFRS and PERS experience studies prepared for July 1, 2013 to June 30, 2018 and July 1, 2014 to June 30, 2018, respectively.

100% of active members are considered to participate in the Plan upon retirement.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend is initially 5.6% and decreases to a 4.5% long-term trend rate after seven years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rates for fiscal year 2021 through 2022 are reflected. The rates used for 2023 and 2024 are 21.83% and 18.53%, respectively, trending to 4.5% for all future years. For prescription drug benefits, the initial trend rate is 7.00% and decreases to a 4.5% long-term trend rate after seven years.

Discount Rate

The discount rate for June 30, 2020 was 2.21%. This represents the municipal bond return rate as chosen by the State. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

NOTE 15: ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT
BENEFITS OTHER THAN PENSIONS – GASB 75 (CONTINUED)

Sensitivity of the Town's Proportionate Share of the Net OPEB Liability to Changes
in the Discount Rate

The following presents the Net OPEB Liability associated with the Town as of June 30, 2020, calculated using the discount rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a discount rate that is 1 -percentage point lower or 1-percentage point higher than the current rate:

| | June 30, 2020 | | |
|---|-------------------------|---------------------|-------------------------|
| | 1.00% | At Discount | 1.00% |
| | <u>Decrease (1.21%)</u> | <u>Rate (2.21%)</u> | <u>Increase (3.21%)</u> |
| Town's proportionate share of the Net OPEB Liability | \$10,180,828 | \$8,611,682 | \$7,369,561 |

Sensitivity of the Town's Proportionate Share of the Net OPEB Liability to Changes
in Healthcare Trends

The following presents the total Net OPEB Liability associated with the Town as of June 30, 2020, calculated using the healthcare trend rate as disclosed above as well as what the Net OPEB Liability would be if it was calculated using a healthcare trend rate that is 1- percentage point lower or 1-percentage point higher than the current rate:

| | June 30, 2020 | | |
|---|-----------------|-------------------|-----------------|
| | 1.00% | Healthcare Cost | 1.00% |
| | <u>Decrease</u> | <u>Trend Rate</u> | <u>Increase</u> |
| Town's proportionate share of the Net OPEB Liability | \$7,126,176 | \$8,611,682 | \$10,556,973 |

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey State Health Benefits Local Government Retired Employees Plan. The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>

NOTE 16: SUBSEQUENT EVENTS

The Town has evaluated subsequent events occurring after the financial statement date through May 3, 2022 which is the date the financial statements were available to be issued. Based upon this evaluation, the Town has determined that no subsequent events needed to be disclosed.

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TOWN OF CLINTON

SUPPLEMENTARY SCHEDULES – ALL FUNDS

YEAR ENDED DECEMBER 31, 2021

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF CASH-TREASURER

| REF. | | CURRENT FUND | GRANT FUND |
|------|---|------------------|---------------|
| A | Balance, December 31, 2020 | \$ 2,285,480.24 | \$ |
| | Increased by Receipts: | | |
| | Collector | | |
| A-5 | State of New Jersey-Chapter 20, P.L. 1971 | \$ 13,348,302.34 | \$ |
| A-8 | Revenue Accounts Receivable | 11,000.00 | |
| A-9 | Miscellaneous Revenue Not Anticipated | 1,306,455.42 | |
| A-2 | Refunds Budget Appropriations | 86,533.99 | |
| A-3 | Refunds Appropriation Reserves | 241,438.86 | |
| A-13 | Interfunds Received | 2,687.50 | |
| A-10 | Petty Cash | 2,529,887.11 | |
| A-11 | Insurance Proceeds | 350.00 | |
| A-27 | Grants Receivable | 31,073.00 | |
| A-19 | Reserve for Grants Unappropriated | | 46,960.08 |
| A-22 | Due Current Fund | | 140,622.20 |
| A-24 | | | 47,406.87 |
| | | 17,557,728.22 | 234,989.15 |
| | | \$ 19,843,208.46 | \$ 234,989.15 |
| | Decreased by Disbursements: | | |
| A-3 | 2021 Appropriations | \$ 4,645,739.65 | \$ |
| A-13 | 2020 Appropriation Reserves | 96,548.86 | |
| A-14 | County Taxes | 1,582,731.10 | |
| A-15 | Local District School Tax | 5,657,439.00 | |
| A-16 | Regional High School Tax | 2,486,203.48 | |
| A-18 | Tax Overpayments | 17,808.31 | |
| A-10 | Interfunds Payable | 2,367,693.47 | |
| A-11 | Petty Cash | 350.00 | |
| A-23 | Reserve for Grants Appropriated | | 47,406.87 |
| A-24 | Due Current Fund | | 187,582.28 |
| A-12 | Redemption of Outside Liens | 148,697.66 | |
| A-1 | Refund of Prior Year Revenues | 242.01 | |
| | | 17,003,453.54 | \$ 234,989.15 |
| A | Balance, December 31, 2021 | \$ 2,839,754.92 | |

"A-5"

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF CASH-COLLECTOR

| | <u>REF.</u> | | |
|-----------------------------|-------------|-------------------|--------------------------------|
| Received: | | | |
| Revenue Accounts Receivable | A-9 | \$ 39,519.36 | |
| Taxes Receivable | A-7 | 13,068,450.16 | |
| Prepaid Taxes | A-17 | 63,866.39 | |
| Tax Overpayments | A-18 | 27,768.77 | |
| Reserve for Outside Liens | A-12 | <u>148,697.66</u> | |
| | | | \$ <u>13,348,302.34</u> |
| Decreased by Disbursements: | | | |
| Payments to Treasurer | A-4 | | \$ <u><u>13,348,302.34</u></u> |

"A-6"

SCHEDULE OF TAX TITLE LIENS

| | | | |
|---|-----|---------------|---------------------------|
| Balance, December 31, 2020 | A | | \$ 1,267.84 |
| Increased by: | | | |
| Transfers From Taxes Receivable | A-7 | \$ 6,921.73 | |
| Interest and Costs Accrued by Tax Sale of October 27, 2021 | | <u>480.10</u> | |
| | | | <u>7,401.83</u> |
| Balance, December 31, 2021 | A | | \$ <u><u>8,669.67</u></u> |

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF PROPERTY TAX LEVY

| YEAR | BALANCE DECEMBER 31, 2020 | 2021 LEVY | COLLECTED | | TRANSFERRED TO TAX TITLE LIENS | CANCELED | BALANCE DECEMBER 31, 2021 |
|------|---------------------------------|---------------|------------------|----------------------|--------------------------------------|--------------|---------------------------------|
| | | | IN 2020 | IN 2021 | | | |
| 2019 | \$ 55.19 | \$ | \$ | \$ 55.19 | \$ | \$ | \$ |
| 2020 | 153,368.25 | | | 151,206.30 | 2,161.95 | | |
| | <u>153,423.44</u> | <u>\$</u> | <u>\$</u> | <u>151,261.49</u> | <u>2,161.95</u> | <u>\$</u> | <u>\$</u> |
| 2021 | | 13,145,936.47 | 72,503.68 | 12,928,688.67 | 4,759.78 | 64.20 | 139,920.14 |
| | <u>153,423.44</u> | <u>\$</u> | <u>72,503.68</u> | <u>13,079,950.16</u> | <u>6,921.73</u> | <u>64.20</u> | <u>139,920.14</u> |
| | A | | A-2-A-17 | A-2 | A-6 | | A |

REF.

Collector
State of New Jersey

A-5
A-8

ANALYSIS OF 2021 PROPERTY TAX LEVY

TAX YIELD

| | |
|---------------------------------|-------------------------|
| General Purpose Tax | \$ 13,134,382.88 |
| Added Taxes (54-4-63.1 et seq.) | <u>11,553.59</u> |
| | <u>\$ 13,145,936.47</u> |

TAX LEVY

| | |
|---|-----------------|
| Regional High School Tax (Abstract) | \$ 2,486,203.00 |
| Local District School Tax (Abstract) | 5,604,501.00 |
| County Taxes: | |
| County Tax (Abstract) | \$ 1,582,047.23 |
| Due County for Added Taxes (54-4-63.1 et. seq.) | <u>1,392.86</u> |

Total County Taxes

1,583,440.11

Local Tax for Municipal Purposes (Abstract)

\$ 3,459,859.00

Add: Additional Tax Levied

3,471,792.36

\$ 13,145,936.47

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF DUE STATE OF NEW JERSEY
PER CHAPTER 20, P.L. 1971

REF.

Increased by:

Deductions Per Tax Duplicate:

Senior Citizens

\$ 750.00

Veterans

10,250.00

Allowed by Tax Collector:

Senior Citizens and Veterans

500.00

\$ 11,500.00

Decreased by:

Received From State of New Jersey

A-4

11,000.00

Balance, December 31, 2021

A

\$ 500.00

SUMMARY OF 2021 EXEMPTIONS

Senior Citizens and Veterans Exemptions

Per Tax Billings

\$ 11,000.00

Senior Citizens and Veterans Exemptions

Allowed by Tax Collector

500.00

Per Tax Billings

A-7

\$ 11,500.00

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

| REF. | | BALANCE DECEMBER 31, 2020 | ACCRUED IN 2021 | COLLECTED BY | | BALANCE DECEMBER 31, 2021 |
|------|--|---------------------------------|--------------------|--------------|--------------|---------------------------------|
| | | | | COLLECTOR | TREASURER | |
| A-2 | Clerk: | \$ | \$ | \$ | \$ | |
| A-2 | Alcoholic Beverage Licenses | | 7,500.00 | | 7,500.00 | |
| A-2 | Municipal Court: | | | | | |
| A-2 | Fines and Costs | 3,680.95 | 58,213.07 | | | 3,644.72 |
| A-2 | Interest and Costs on Taxes | | 39,519.36 | 39,519.36 | 58,249.30 | |
| A-2 | Interest on Investment | | 734.76 | | 734.76 | |
| A-2 | Rental Income - Water Department | | 142,800.00 | | 142,800.00 | |
| A-2 | Energy Receipts Tax | | 160,765.00 | | 160,765.00 | |
| A-2 | Construction Code Official: | | | | | |
| A-2 | Fees and Permits | | 351,992.00 | | 351,992.00 | |
| A-2 | Shared Services - Zoning Dept. - High Bridge | | 8,000.00 | | 8,000.00 | |
| A-2 | Contribution From Housing Authority | | 14,660.00 | | 14,660.00 | |
| A-2 | Uniform Fire Safety | | 11,659.45 | | 11,659.45 | |
| A-2 | Hotel and Motel Occupancy | | 125,285.91 | | 125,285.91 | |
| A-2 | Sewer Department - Overhead | | 385,794.00 | | 385,794.00 | |
| A-2 | Sewer Department - Admin Fee | | 39,015.00 | | 39,015.00 | |
| | | | | | | |
| | | \$ | \$ | \$ | \$ | \$ |
| | | 3,680.95 | 1,345,938.55 | 39,519.36 | 1,306,455.42 | 3,644.72 |
| REF. | | A | | A-5 | A-4 | A |

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>GRANT FUND</u> | <u>ANIMAL CONTROL FUND</u> | <u>TRUST OTHER FUND</u> | <u>GENERAL CAPITAL FUND</u> |
|-----------------------------|-------------|--------------|-----------------------|------------------------------------|---------------------------------|-------------------------------------|
| Balance, December 31, 2020: | | | | | | |
| Due From | A | \$ 4,935.69 | \$ | 4,935.69 | \$ | \$ |
| Due To | A | 399,846.16 | 135,651.56 | | 1,943.00 | 262,251.60 |
| Receipts - Treasurer | A-4 | 2,529,887.11 | 187,582.28 | 4,935.69 | | 2,337,369.14 |
| Disbursements | A-4 | 2,367,693.47 | 47,406.87 | | 15,000.00 | 2,305,286.60 |
| Balance, December 31, 2021: | | | | | | |
| Due From | A | \$ 13,057.00 | \$ | | \$ | \$ |
| Due To | A | 570,161.11 | 275,826.97 | | 13,057.00 | 294,334.14 |

"A-11"

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF PETTY CASH

| <u>DEPARTMENT</u> | <u>CASH RECEIPTS</u> | <u>CASH DISBURSED</u> |
|-------------------|--------------------------|---------------------------|
| Town Clerk | \$ 100.00 | \$ 100.00 |
| Police | 250.00 | 250.00 |
| | <u>\$ 350.00</u> | <u>\$ 350.00</u> |
| <u>REF.</u> | A-4 | A-4 |

"A-12"

SCHEDULE OF RESERVE FOR OUTSIDE LIENS

| | | |
|--------------------|-----|-------------------|
| Increased by: | | |
| Cash Receipts | A-5 | \$ 148,697.66 |
| Decreased by: | | |
| Cash Disbursements | A-4 | <u>148,697.66</u> |

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF 2020 APPROPRIATION RESERVES

| | BALANCE DECEMBER 31, 2020 | BALANCE AFTER TRANSFERS | PAID OR CHARGED | BALANCE LAPSED |
|--------------------------------|---------------------------------|-------------------------------|--------------------|-------------------|
| <u>SALARIES AND WAGES</u> | | | | |
| Municipal Clerk | \$ 1,142.33 | \$ 1,142.33 | \$ | 1,142.33 |
| Financial Administration | 48.84 | 48.84 | | 48.84 |
| Assessment of Taxes | 52.28 | 52.28 | | 52.28 |
| Revenue Administration | 754.54 | 754.54 | | 754.54 |
| Planning Board | 31.78 | 31.78 | | 31.78 |
| Fire Prevention | 18.14 | 18.14 | | 18.14 |
| Police | 45,782.35 | 45,782.35 | 2,968.81 | 42,813.54 |
| Emergency Management Services | 1,609.29 | 1,609.29 | | 1,609.29 |
| Streets and Roads | 10,217.38 | 10,217.38 | | 10,217.38 |
| Building and Grounds | 387.11 | 387.11 | | 387.11 |
| Community Center | 621.59 | 621.59 | | 621.59 |
| Recycling | 48.86 | 48.86 | | 48.86 |
| Board of Health | 17.52 | 17.52 | | 17.52 |
| Construction Officials | 33.06 | 33.06 | | 33.06 |
| Housing/Rental Officer | 22.10 | 22.10 | | 22.10 |
| <u>OTHER EXPENSES</u> | | | | |
| Mayor and Council | 334.36 | 893.36 | 559.00 | 334.36 |
| Communications | 814.28 | 816.84 | | 816.84 |
| Municipal Clerk | 3,085.22 | 5,227.56 | 2,225.43 | 3,002.13 |
| Financial Administration | 1,380.25 | 1,627.20 | 393.63 | 1,233.57 |
| Audit Services | 16.66 | 16.66 | | 16.66 |
| Assessment of Taxes | 727.23 | 778.44 | 131.26 | 647.18 |
| Revenue Administration | 597.38 | 694.56 | 74.93 | 619.63 |
| Legal Services and Costs | 13,542.74 | 14,542.74 | 1,986.68 | 12,556.06 |
| Engineering Services and Costs | 1,853.00 | 2,853.00 | 2,314.00 | 539.00 |
| Planning Board | 2,950.27 | 3,007.60 | 733.38 | 2,274.22 |
| Insurance: General Liability | 76.00 | 76.00 | | 76.00 |
| Workers Compensation | 85.60 | 85.60 | | 85.60 |
| Employee Group Health | 23,828.14 | 24,117.34 | 289.20 | 23,828.14 |
| Fire Prevention | 808.80 | 808.80 | 31.26 | 777.54 |
| Police | 6,480.51 | 16,039.06 | 11,045.95 | 4,993.11 |
| Fire Hydrant Rental | 8,865.75 | 8,865.75 | 7,044.75 | 1,821.00 |
| Emergency Management Services | 1,479.69 | 1,874.98 | | 1,874.98 |
| Streets and Roads | 19,624.58 | 29,926.31 | 9,116.55 | 20,809.76 |
| Shade Tree Commission | 9,480.24 | 6,677.24 | 197.00 | 6,480.24 |
| Solid Waste Collection | 1,016.00 | 5,846.80 | 4,962.50 | 884.30 |
| Public Buildings and Grounds | 7,701.43 | 18,810.70 | 10,616.34 | 8,194.36 |
| Community Center | 172.34 | 374.30 | | 374.30 |
| Vehicle Maintenance | 14,769.69 | 21,490.71 | 2,686.91 | 18,803.80 |
| Recycling | 899.23 | 4,172.55 | 2,931.67 | 1,240.88 |
| Board of Health | 919.30 | 999.30 | 80.00 | 919.30 |
| Animal Control | 2,000.00 | 2,000.00 | | 2,000.00 |
| Parks and Recreation | 500.00 | 500.00 | | 500.00 |
| Historical Commission | 500.00 | 500.00 | | 500.00 |
| Senior Citizen | 250.00 | 250.00 | | 250.00 |

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF 2020 APPROPRIATION RESERVES

| | BALANCE DECEMBER 31, 2020 | BALANCE AFTER TRANSFERS | PAID OR CHARGED | BALANCE LAPSED |
|---------------------------------------|---------------------------------|-------------------------------|---------------------|----------------------|
| Maintenance of Parks | \$ 403.11 | \$ 500.00 | \$ 96.89 | \$ 403.11 |
| Smart Growth Committee | 1,400.00 | 1,400.00 | | 1,400.00 |
| Construction Officials | 1,245.64 | 1,245.64 | | 1,245.64 |
| Housing/Rental Officer | 635.85 | 685.85 | | 685.85 |
| Gasoline | 8,862.01 | 12,495.73 | 1,973.27 | 10,522.46 |
| Natural Gas | 4,334.34 | 4,334.34 | 2,553.89 | 1,780.45 |
| Electricity | 11,447.57 | 11,447.57 | 1,260.06 | 10,187.51 |
| Telephone | 2,462.81 | 2,462.81 | 1,374.56 | 1,088.25 |
| Street Lighting | 8,089.30 | 8,089.30 | 4,223.47 | 3,865.83 |
| Water | 294.22 | 294.22 | | 294.22 |
| Solid Waste Disposal Cost | 3,800.00 | 13,927.07 | 13,737.69 | 189.38 |
| Contingent | 500.00 | 500.00 | | 500.00 |
| Social Security System | 1,858.54 | 1,858.54 | | 1,858.54 |
| Unemployment Insurance | 508.50 | 508.50 | | 508.50 |
| Defined Contribution Plan | 594.87 | 594.87 | | 594.87 |
| Recycling Tax | 700.00 | 1,038.07 | 357.57 | 680.50 |
| Fair Housing Plan Ch 222 PI 1985: | | | | |
| Administrative and Executive | 32,390.98 | 42,390.98 | 7,894.71 | 34,496.27 |
| Clinton Township Municipal Court | 51.00 | 51.00 | | 51.00 |
| Borough of High Bridge Zoning Officer | 2,051.86 | 2,051.86 | | 2,051.86 |
| | <u>\$ 267,176.46</u> | <u>\$ 340,536.92</u> | <u>\$ 93,861.36</u> | <u>\$ 246,675.56</u> |

| | REF. | A | A-1 |
|----------------------------|------|----------------------|---------------------|
| Balance, December 31, 2020 | A-13 | \$ 267,176.46 | \$ |
| Encumbrances Payable | A-20 | 73,360.46 | |
| Cash Disbursements | A-4 | | 96,548.86 |
| Refunds | A-4 | | 2,687.50 |
| | | <u>\$ 340,536.92</u> | <u>\$ 93,861.36</u> |

"A-14"

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

| | <u>REF.</u> | | |
|-----------------------------|-------------|----|------------------------|
| Balance, December 31, 2020 | A | \$ | 683.87 |
| 2021 Tax Levy: | | | |
| County Taxes | A-1:A-7 | \$ | 1,582,047.23 |
| County Share of Added Taxes | A-1:A-7 | | <u>1,392.88</u> |
| | | | 1,583,440.11 |
| | | \$ | <u>1,584,123.98</u> |
| Decreased by: | | | |
| Cash Disbursements | A-4 | | <u>1,582,731.10</u> |
| Balance, December 31, 2021 | A | \$ | <u><u>1,392.88</u></u> |

"A-15"

SCHEDULE OF LOCAL DISTRICT SCHOOL TAX PAYABLE

| | | | |
|--------------------------------------|---------|----|-------------------------|
| Balance, December 31, 2020 (Prepaid) | A | \$ | 108,030.87 |
| Increased by: | | | |
| 2021 Levy | A-1:A-7 | | <u>5,604,501.00</u> |
| | | \$ | <u>5,712,531.87</u> |
| Decreased by: | | | |
| Cash Disbursements | A-4 | | <u>5,657,439.00</u> |
| Balance, December 31, 2021 | A | \$ | <u><u>55,092.87</u></u> |

"A-16"

SCHEDULE OF REGIONAL HIGH SCHOOL TAX PAYABLE

| | | | |
|----------------------------|---------|----|---------------------|
| Balance, December 31, 2020 | A | \$ | 49.86 |
| Increased by: | | | |
| 2021 Levy | A-1:A-7 | | <u>2,486,203.00</u> |
| | | \$ | <u>2,486,252.86</u> |
| Decreased by: | | | |
| Cash Disbursements | A-4 | | <u>2,486,203.48</u> |
| Balance, December 31, 2021 | A | \$ | <u><u>49.38</u></u> |

"A-17"

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF PREPAID TAXES

| | <u>REF.</u> | |
|---|-------------|----------------------------|
| Balance, December 31, 2020 (2021 Taxes) | A | \$ 72,503.68 |
| Increased by: | | |
| Collection of 2022 Taxes | A-5 | <u>63,866.39</u> |
| | | \$ <u>136,370.07</u> |
| Decreased by: | | |
| Application to 2021 Taxes Receivable | A-7 | <u>72,503.68</u> |
| Balance, December 31, 2021 (2022 Taxes) | A | \$ <u><u>63,866.39</u></u> |

"A-18"

SCHEDULE OF TAX OVERPAYMENTS

| | | |
|----------------------------|-----|---------------------------|
| Increased by: | | |
| Cash Receipts | A-5 | \$ 27,768.77 |
| Decreased by: | | |
| Cash Disbursements | A-4 | <u>17,808.31</u> |
| Balance, December 31, 2021 | A | \$ <u><u>9,960.46</u></u> |

TOWN OF CLINTON

GRANT FUND

SCHEDULE OF GRANTS RECEIVABLE

| <u>GRANT</u> | <u>BALANCE DECEMBER 31, 2020</u> | <u>2021 REVENUE ANTICIPATED</u> | <u>CASH RECEIPTS</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|----------------------------------|--|---|--------------------------|--|
| Body Armor Replacement Fund | \$ | \$ 1,113.83 | \$ 1,113.83 | |
| Clean Communities Program | | 5,638.39 | 5,638.39 | |
| Highlands Plan Conformance Grant | 116,935.38 | | 16,267.50 | 100,667.88 |
| Body Worn Camera Grant | | 26,494.00 | | 26,494.00 |
| LGEF Covid Grant | | 15,938.00 | 15,938.00 | |
| Recycling Tonnage Grant | | 8,002.36 | 8,002.36 | |
| | <u>\$ 116,935.38</u> | <u>\$ 57,186.58</u> | <u>\$ 46,960.08</u> | <u>\$ 127,161.88</u> |
| <u>REF.</u> | A | A-2 | A-4 | A |

"A-20"

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES PAYABLE

| | <u>REF.</u> | |
|---------------------------------------|-------------|----------------------------|
| Balance, December 31, 2020 | A | \$ 73,360.46 |
| Increased by: | | |
| Charged to 2021 Appropriations | A-3 | 51,915.81 |
| | | \$ <u>125,276.27</u> |
| Decreased by: | | |
| Transferred to Appropriation Reserves | A-13 | <u>73,360.46</u> |
| Balance, December 31, 2021 | A | \$ <u><u>51,915.81</u></u> |

"A-21"

SCHEDULE OF RESERVE FOR ENCUMBRANCES PAYABLE - GRANT FUND

| | | |
|--------------------------------|------|----------------------------|
| Increased by: | | |
| Charged to Grants Appropriated | A-23 | \$ <u>13,554.17</u> |
| Balance, December 31, 2021 | A | \$ <u><u>13,554.17</u></u> |

"A-22"

TOWN OF CLINTON

GRANT FUND

SCHEDULE OF RESERVE
FOR GRANTS UNAPPROPRIATED

| <u>GRANT</u> | <u>RECEIPTS</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|----------------------|-----------------------------|--|
| American Rescue Plan | \$ <u>140,622.20</u> | \$ <u>140,622.20</u> |
| | \$ <u><u>140,622.20</u></u> | \$ <u><u>140,622.20</u></u> |
| <u>REF.</u> | A-4 | A |

TOWN OF CLINTON

GRANT FUND

SCHEDULE OF RESERVE
FOR GRANTS APPROPRIATED

| GRANT | BALANCE DECEMBER 31, 2020 | 2021 BUDGET APPROPRIATION | EXPENDED | ENCUMBRANCES PAYABLE | BALANCE DECEMBER 31, 2021 |
|---|---------------------------------|---------------------------------|---------------------|-------------------------|---------------------------------|
| Clean Communities Program | \$ 5,297.52 \$ | 5,638.39 \$ | 266.03 \$ | \$ | 10,669.88 |
| Drunk Driving Enforcement Fund | 9,066.26 | | | | 9,066.26 |
| Body Armor Replacement Fund | 1,339.35 | 1,113.83 | 1,052.15 | | 1,401.03 |
| Highlands Council Water Protection Grant | 1,105.00 | | | | 1,105.00 |
| Highlands Grant - Plan Conformance | 95,887.16 | | 16,267.50 | 10,682.50 | 68,937.16 |
| Sustainable Jersey | 494.77 | | | | 494.77 |
| County of Hunterdon 2020 Open Space Grant | 125,038.48 | | | | 125,038.48 |
| Economic Development Grant | 550.00 | | | | 550.00 |
| Smart Future | 3.94 | | | | 3.94 |
| Open Space Trust-Gebhardt Field | 340.00 | | | | 340.00 |
| Recycling Tonnage Grant | 13,349.26 | 8,002.36 | 13,883.19 | 2,871.67 | 4,596.76 |
| LGEF Covid Grant | | 15,938.00 | 15,938.00 | | |
| Body Worn Camera Grant | | 26,494.00 | | | 26,494.00 |
| Green Communities Grant | 92.00 | | | | 92.00 |
| Alcohol Education Rehabilitation Fund | 23.20 | | | | 23.20 |
| | <u>\$ 252,586.94 \$</u> | <u>57,186.58 \$</u> | <u>47,406.87 \$</u> | <u>13,554.17 \$</u> | <u>248,812.48</u> |
| REF. | A | A-3 | A-4 | A-21 | A |

"A-24"

TOWN OF CLINTON

GRANT FUND

SCHEDULE OF DUE CURRENT FUND

| | <u>REF.</u> | |
|----------------------------|-------------|-----------------------------|
| Balance, December 31, 2020 | A | \$ 135,651.56 |
| Increased by: | | |
| Cash Disbursements | A-4 | <u>187,582.28</u> |
| | | \$ <u>323,233.84</u> |
| Decreased by: | | |
| Cash Receipts | A-4 | <u>47,406.87</u> |
| Balance, December 31, 2021 | A | \$ <u><u>275,826.97</u></u> |

"A-25"

CURRENT FUND

SCHEDULE OF CHANGE FUNDS

| | | | BALANCE DECEMBER 31, 2021 AND DECEMBER 31, 2020 |
|---------------|---|----|---|
| <u>OFFICE</u> | | | |
| Town Clerk | A | \$ | <u><u>50.00</u></u> |

"A-26"

TOWN OF CLINTON

CURRENT FUND

SCHEDULE OF RESERVE FOR SALE OF MUNICIPAL ASSETS

| | <u>REF.</u> | |
|----------------------------|-------------|-------------------------|
| Balance, December 31, 2020 | A | \$ <u>305.76</u> |
| Balance, December 31, 2021 | A | \$ <u><u>305.76</u></u> |

"A-27"

SCHEDULE OF RESERVE FOR INSURANCE PROCEEDS

| | | |
|----------------------------|-----|----------------------------|
| Increased by: | | |
| Cash Receipts | A-4 | \$ <u>31,073.00</u> |
| Balance, December 31, 2021 | A | \$ <u><u>31,073.00</u></u> |

TOWN OF CLINTON

TRUST FUND

SCHEDULE OF CASH-TREASURER

| | <u>REF.</u> | <u>ANIMAL CONTROL</u> | <u>TRUST OTHER</u> |
|-----------------------------------|-------------|-----------------------|----------------------|
| Balance, December 31, 2020 | B | \$ 16,035.19 | \$ 776,026.22 |
| Increased by Receipts: | | | |
| Animal Control License Fees | B-3 | \$ 4,513.20 | \$ |
| Due From State of New Jersey | B-4 | 450.00 | |
| Various Reserves and Deposits | B-5 | | 6,281,318.69 |
| Due County of Hunterdon | B-7 | | 6,500.00 |
| Interfunds | B-8 | | 15,000.00 |
| | | <u>4,963.20</u> | <u>6,302,818.69</u> |
| | | \$ 20,998.39 | \$ 7,078,844.91 |
| Decreased by Disbursements: | | | |
| Expenditures Under R.S.4:19-15.11 | B-3 | \$ 3,640.24 | \$ |
| Due From State of New Jersey | B-4 | 450.00 | |
| Due County of Hunterdon | B-7 | | 4,125.00 |
| Various Reserves and Deposits | B-5 | | 6,202,391.75 |
| Fund Balance | B-1 | | 2,577.88 |
| Interfunds | B-6 | <u>4,935.69</u> | |
| | | <u>9,025.93</u> | <u>6,209,094.63</u> |
| Balance, December 31, 2021 | B | \$ <u>11,972.46</u> | \$ <u>869,750.28</u> |

"B-3"

TOWN OF CLINTON

TRUST FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL TRUST FUND EXPENDITURES

| | <u>REF.</u> | | |
|------------------------------------|-------------|-----------------|---------------------------|
| Balance, December 31, 2020 | B | | \$ 9,095.30 |
| Increased by: | | | |
| Dog License Fees Collected | B-2 | \$ 3,400.70 | |
| Cat License Fees Collected | B-2 | 742.00 | |
| Miscellaneous | B-2 | 370.50 | |
| Reserve for Encumbrances | B-10 | <u>2,000.00</u> | |
| | | | 6,513.20 |
| | | | \$ <u>15,608.50</u> |
| Decreased by: | | | |
| Expenditures Under R.S.4:19-15.11: | | | |
| Cash Disbursements | B-2 | \$ 3,640.24 | |
| Encumbrances Payable | B-10 | <u>2,076.00</u> | |
| | | | <u>5,716.24</u> |
| Balance, December 31, 2021 | B | | \$ <u><u>9,892.26</u></u> |

| <u>LICENSE FEES COLLECTED</u> | |
|-------------------------------|---------------------|
| <u>YEAR</u> | <u>AMOUNT</u> |
| 2020 | \$ 4,048.06 |
| 2019 | <u>6,624.50</u> |
| | <u>\$ 10,672.56</u> |

"B-4"

SCHEDULE OF DUE STATE OF NEW JERSEY -
ANIMAL CONTROL TRUST FUND

| | | |
|----------------------------|-----|-----------------------|
| Balance, December 31, 2020 | B | \$ 4.20 |
| Increased by: | | |
| Cash Receipts | B-2 | <u>450.00</u> |
| | | \$ <u>454.20</u> |
| Decreased by: | | |
| Cash Disbursements | B-2 | <u>450.00</u> |
| Balance, December 31, 2021 | B | \$ <u><u>4.20</u></u> |

TOWN OF CLINTON

TRUST FUND

SCHEDULE OF VARIOUS RESERVES AND DEPOSITS

| | BALANCE DECEMBER 31, 2020 | CASH RECEIPTS | EXPENDED | BALANCE DECEMBER 31, 2021 |
|---------------------------------|---------------------------------|------------------------|------------------------|---------------------------------|
| Special Deposits | \$ 161,650.76 | \$ 179,784.57 | \$ 131,839.42 | \$ 209,595.91 |
| Developer's Escrow | 155,586.21 | 347,950.68 | 262,396.48 | 241,140.41 |
| State Unemployment Insurance | 138,412.14 | 4,355.06 | 4,333.42 | 138,433.78 |
| Parks and Playground Commission | 55,330.77 | 17,199.33 | 12,153.39 | 60,376.71 |
| Accrued Sick Leave | 98,034.33 | 11.73 | 23,531.08 | 74,514.98 |
| Length of Service Award Program | 82,036.08 | 17,556.74 | 52,733.58 | 46,859.24 |
| Water Tenant's Deposits | 52,088.52 | 11,306.87 | 13,617.25 | 49,778.14 |
| 150th Anniversary Celebration | 242.37 | | | 242.37 |
| Payroll Agency | 20,001.30 | 5,703,153.71 | 5,701,787.13 | 21,367.88 |
| | <u>\$ 763,382.48</u> | <u>\$ 6,281,318.69</u> | <u>\$ 6,202,391.75</u> | <u>\$ 842,309.42</u> |
| <u>REF.</u> | | B-2 | B-2 | B |
| Balance, December 31, 2020 | B-2 \$ 763,006.73 | | | |
| Encumbrances Payable | B-9 <u>375.75</u> | | | |
| | <u>\$ 763,382.48</u> | | | |

"B-6"

TOWN OF CLINTON

TRUST FUND

SCHEDULE OF INTERFUNDS - ANIMAL CONTROL TRUST

| | <u>REF.</u> | <u>TOTAL</u> | <u>CURRENT FUND</u> |
|----------------------------|-------------|--------------------|-------------------------|
| Balance, December 31, 2020 | | | |
| Due To | B | \$ <u>4,935.69</u> | \$ <u>4,935.69</u> |
| Decreased by: | | | |
| Cash Disbursements | B-2 | <u>4,935.69</u> | <u>4,935.69</u> |

"B-7"

SCHEDULE OF DUE COUNTY OF HUNTERDON

| | | |
|----------------------------|-----|---------------------|
| Balance, December 31, 2020 | B | \$ 12,008.86 |
| Increased by: | | |
| Cash Receipts | B-2 | <u>6,500.00</u> |
| | | \$ <u>18,508.86</u> |
| Decreased by: | | |
| Cash Disbursements | B-2 | <u>4,125.00</u> |
| Balance, December 31, 2021 | B | \$ <u>14,383.86</u> |

"B-8"

TOWN OF CLINTON

TRUST FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>CURRENT FUND</u> |
|--|-------------|----------------------------|----------------------------|
| Balance, December 31, 2020 Due From | B | \$ <u>1,943.00</u> | \$ <u>1,943.00</u> |
| Cash Receipts | B-2 | <u>15,000.00</u> | <u>15,000.00</u> |
| Balance, December 31, 2021 Due To | B | \$ <u><u>13,057.00</u></u> | \$ <u><u>13,057.00</u></u> |

"B-9"

TOWN OF CLINTON

TRUST FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

| | <u>REF.</u> | |
|----------------------------|-------------|---------------|
| Balance, December 31, 2020 | B | \$ 375.75 |
| Decreased by: | | |
| Charges to Trust Reserves | B-5 | <u>375.75</u> |

"B-10"

TOWN OF CLINTON

ANIMAL CONTROL FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

| | <u>REF.</u> | |
|--|-------------|---------------------------|
| Balance, December 31, 2020 | B | \$ 2,000.00 |
| Increased by: | | |
| Charges to Reserve for Animal Control | | |
| Trust Fund Expenditures | B-3 | <u>2,076.00</u> |
| | | \$ <u>4,076.00</u> |
| Decreased by: | | |
| Transfer to Reserve for Animal Control | | |
| Trust Fund Expenditures | B-3 | <u>2,000.00</u> |
| Balance, December 31, 2021 | B | \$ <u><u>2,076.00</u></u> |

"C-2"

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF CASH - TREASURER

| | <u>REF.</u> | | |
|-----------------------------|-------------|----|--------------------------|
| Balance, December 31, 2020 | C | \$ | 545,663.38 |
| Increased by Receipts: | | | |
| Budget Appropriations: | | | |
| Capital Improvement Fund | C-11 | \$ | 50,000.00 |
| Interfunds | C-6 | | 262,251.60 |
| Grants Receivable | C-13 | | 154,334.14 |
| Miscellaneous Deposits | C-12 | | 25,000.00 |
| Premium on Sale of Notes | C-1 | | 14,713.66 |
| Bond Anticipation Notes | C-9 | | <u>2,183,035.00</u> |
| | | | 2,689,334.40 |
| | | \$ | <u>3,234,997.78</u> |
| Decreased by Disbursements: | | | |
| Bond Anticipation Notes | C-9 | \$ | 1,704,092.00 |
| Contracts Payable | C-7 | | 419,632.42 |
| Interfunds | C-6 | | <u>294,334.14</u> |
| | | | <u>2,418,058.56</u> |
| Balance, December 31, 2021 | C | \$ | <u><u>816,939.22</u></u> |

"C-3"

TOWN OF CLINTON

GENERAL CAPITAL FUND

ANALYSIS OF CASH

BALANCE
DECEMBER
31, 2021

| | |
|--|----------------------|
| Capital Improvement Fund | \$ 118,311.08 |
| Capital Fund Balance | 15,485.88 |
| Contracts Payable | 127,252.39 |
| Grants Receivable | (96,802.86) |
| Improvement Authorizations Funded as Set Forth on "C-8" | 77,586.62 |
| Improvement Authorizations Expended as Set Forth on "C-5" | (134,545.49) |
| Cash on Hand to Pay Notes | 0.63 |
| Interfunds Receivable | (294,334.14) |
| Miscellaneous Reserves | 206,455.00 |
| Unexpended Proceeds of Bond Anticipation Notes Issued as Set Forth on "C-5" | <u>797,530.11</u> |
| | <u>\$ 816,939.22</u> |

REF.

C-2

"C-4"

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES
TO FUTURE TAXATION FUNDED

| | <u>REF.</u> | |
|-------------------------------------|-------------|-------------------------------|
| Balance, December 31, 2020 | C | \$ 1,278,000.00 |
| Decreased by: | | |
| General Serial Bonds Paid by Budget | C-10 | <u>200,000.00</u> |
| Balance, December 31, 2021 | C | <u><u>\$ 1,078,000.00</u></u> |

[illegible]

"C-6"

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>CURRENT FUND</u> |
|--|-------------|----------------------|-------------------------|
| Balance, December 31, 2020 Due From | C | \$ 262,251.60 | \$ 262,251.60 |
| Cash Receipts | C-2 | <u>262,251.60</u> | <u>262,251.60</u> |
| Cash Disbursements | C-2 | <u>294,334.14</u> | <u>294,334.14</u> |
| Balance, December 31, 2021 Due From | C | \$ <u>294,334.14</u> | \$ <u>294,334.14</u> |

"C-7"

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF CONTRACTS PAYABLE

| | <u>REF.</u> | |
|----------------------------|-------------|-----------------------------|
| Balance, December 31, 2020 | C | \$ 28,197.21 |
| Increased by: | | |
| Contracts Payable | C-8 | 518,687.60 |
| | | \$ <u>546,884.81</u> |
| Decreased by: | | |
| Cash Disbursements | C-2 | <u>419,632.42</u> |
| Balance, December 31, 2021 | C | \$ <u><u>127,252.39</u></u> |

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | DATE | ORDINANCE AMOUNT | BALANCE DECEMBER 31, 2020 | | 2021 AUTHORIZATIONS | PAID OR CHARGED | BALANCE DECEMBER 31, 2021 | |
|--|---|------------|---------------------|------------------------------|------------------------|------------------------|----------------------|------------------------------|------------------------|
| | | | | FUNDED | UNFUNDED | | | FUNDED | UNFUNDED |
| General Improvements: | | | | | | | | | |
| 2012-08 | Various Improvements | 06/26/2012 | \$ 110,200.00 | \$ | \$ | \$ | \$ | 1,417.35 | \$ |
| 2013-05 | Various Capital Improvements | 04/03/2013 | 400,000.00 | 174.15 | | | | 174.15 | |
| 2014-08 | Various Capital Improvements | 06/24/2014 | 141,000.00 | | 4,094.16 | | | | 4,094.16 |
| 2014-18 | Halstead St. Road Improvements | 10/14/2014 | 290,000.00 | | 41,657.90 | | | | 41,657.90 |
| 2015-11 | Various Capital Improvements | 06/09/2015 | 266,600.00 | | 24,282.67 | | | | 24,282.67 |
| 2016-09 | Various Capital Improvements | 07/12/2016 | 578,765.00 | | 119,530.28 | | 6,940.02 | | 112,590.26 |
| 2016-10 | West Main Street Pedestrian Project | 10/27/2016 | 350,000.00 | | 5,419.15 | | 868.99 | | 4,550.16 |
| 2018-01 | Amending Ord. 2017-09 | 02/27/2018 | 250,000.00 | 38,218.96 | 250,000.00 | | | 38,218.96 | 250,000.00 |
| 2018-04 | Various Capital Improvements | 06/26/2018 | 40,000.00 | 6,026.58 | | | | 6,026.58 | |
| 2019-01 | West Main Street Pedestrian Project | 03/26/2019 | 100,000.00 | | 17,955.96 | | | | 17,955.96 |
| 2019-06 | W. Main St. Pedestrian Safety Project | 04/23/2019 | 157,000.00 | 20,159.09 | | | | 20,159.09 | |
| 2019-09 | Various Capital Improvements | 06/11/2019 | 520,000.00 | | 351,423.06 | | 90,793.98 | | 260,629.08 |
| 2020-10 | Various Road Improvements | 04/22/2020 | 385,000.00 | 194,778.43 | 133,863.00 | | 281,963.18 | | 46,678.25 |
| 2020-14 | Various Capital Improvements | 07/22/2020 | 213,250.00 | | 202,551.59 | | 32,204.82 | | 170,346.77 |
| 2021-14 | Various Capital Improvements | 06/09/2021 | 140,900.00 | | | 140,900.00 | 103,757.10 | | 37,142.90 |
| 2021-18 | Preliminary Expenses - Addition to or Construction of the Police Dept | 06/23/2021 | 150,000.00 | | | 150,000.00 | 1,134.51 | | 142,500.00 |
| 2021-26 | Supplemental 2021-18 | 12/08/2021 | 125,000.00 | | | 125,000.00 | 1,025.00 | | 118,750.00 |
| | | | | <u>\$ 260,774.56</u> | <u>\$ 1,150,777.77</u> | <u>\$ 415,900.00</u> | <u>\$ 518,687.60</u> | <u>\$ 77,586.62</u> | <u>\$ 1,231,178.11</u> |
| | | | | C | C | | C-7 | C-C-3 | C-C-5 |
| | | | | REF. | | | | | |
| Capital Improvement Fund | | | | | | \$ 20,795.00 | | | |
| Deferred Charges to Future Taxation - Unfunded | | | | | | <u>395,105.00</u> | | | |
| | | | | | | <u>\$ 415,900.00</u> | | | |

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

| <u>ORDINANCE</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF ISSUE OF ORIGINAL NOTE</u> | <u>DATE OF ISSUE</u> | <u>DATE OF MATURITY</u> | <u>INTEREST RATE</u> | <u>BALANCE DECEMBER 31, 2020</u> | <u>INCREASED</u> | <u>DECREASED</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|------------------|---------------------------------------|---|--------------------------|-----------------------------|--------------------------|--|------------------------|------------------------|--|
| 2014-08 | Various Capital Improvements | 08/20/15 | 08/06/20 | 08/06/21 | 0.69% | \$ 84,658.00 | \$ 66,517.00 | \$ 84,658.00 | \$ 66,517.00 |
| 2014-15 | Acquisition of Fire Truck | 08/20/15 | 08/06/20 | 08/06/21 | 0.69% | 247,782.00 | 182,782.00 | 247,782.00 | 182,782.00 |
| 2014-18 | Halstead Street Road Improvements | 08/20/15 | 08/06/20 | 08/06/21 | 0.69% | 84,209.00 | 78,945.00 | 84,209.00 | 78,945.00 |
| 2015-11 | Various Capital Improvements | 08/20/15 | 08/06/20 | 08/06/21 | 0.69% | 106,702.00 | 83,260.00 | 106,702.00 | 83,260.00 |
| 2016-09 | Various Capital Improvements | 08/18/16 | 08/06/20 | 08/06/21 | 0.69% | 417,741.00 | 389,588.00 | 417,741.00 | 389,588.00 |
| 2019-01 | W. Main St. Pedestrian Safety Project | 08/15/19 | 08/06/20 | 08/06/21 | 0.69% | 276,000.00 | 276,000.00 | 276,000.00 | 276,000.00 |
| 2019-09 | Various Capital Improvements | 08/15/19 | 08/06/20 | 08/06/21 | 0.69% | 494,000.00 | 494,000.00 | 494,000.00 | 494,000.00 |
| 2020-10 | Various Road Improvements | 08/06/20 | 08/06/20 | 08/06/21 | 0.69% | 133,000.00 | 133,000.00 | 133,000.00 | 133,000.00 |
| 2020-14 | Various Road Improvements | 08/05/21 | 08/05/21 | 08/05/22 | 1.00% | 202,588.00 | 133,855.00 | 202,588.00 | 133,855.00 |
| 2021-14 | Various Road Improvements | 08/05/21 | 08/05/21 | 08/05/22 | 1.00% | 133,855.00 | 142,500.00 | 133,855.00 | 142,500.00 |
| 2021-18 | Preliminary Expenses | 08/05/21 | 08/05/21 | 08/05/22 | 1.00% | | | | |
| | | | | | | <u>\$ 1,844,092.00</u> | <u>\$ 2,183,035.00</u> | <u>\$ 1,844,092.00</u> | <u>\$ 2,183,035.00</u> |
| | | | | | | <u>REF.</u> | <u>C</u> | <u>C-2</u> | <u>C-C-5</u> |
| | | | | | | Paid by Budget | | | |
| | | | | | | Cash Disbursements | | | |
| | | | | | | | \$ 140,000.00 | | |
| | | | | | | | <u>1,704,092.00</u> | | |
| | | | | | | | \$ 1,844,092.00 | | |

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

| <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF ORIGINAL ISSUE</u> | <u>AMOUNT OF ORIGINAL ISSUE</u> | <u>MATURITIES OF BONDS OUTSTANDING</u> | | <u>INTEREST RATE</u> | <u>BALANCE DECEMBER 31, 2020</u> | <u>DECREASED</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|--------------------------------|---------------------------------------|---|--|---------------|--------------------------|--|----------------------|--|
| | | | <u>DATE</u> | <u>AMOUNT</u> | | | | |
| General Improvement | 8/1/2013 | \$ 2,328,000.00 | 8/1/2022 | \$ 200,000.00 | 4.000% | \$ | \$ | |
| | | | 8/1/2023 | 200,000.00 | 3.250% | | | |
| | | | 8/1/2024 | 200,000.00 | 3.500% | | | |
| | | | 8/1/2025 | 250,000.00 | 3.500% | | | |
| | | | 8/1/2026 | 228,000.00 | 4.000% | 1,278,000.00 | 200,000.00 | 1,078,000.00 |
| | | | | | | <u>\$ 1,278,000.00</u> | <u>\$ 200,000.00</u> | <u>\$ 1,078,000.00</u> |
| | | | | | <u>REF.</u> | C | C-4 | C |

"C-11"

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

| | <u>REF.</u> | |
|----------------------------|-------------|-----------------------------|
| Balance, December 31, 2020 | C | \$ 89,106.08 |
| Increased by: | | |
| 2021 Budget Appropriation | C-2 | 50,000.00 |
| | | <u>\$ 139,106.08</u> |
| Decreased by: | | |
| Appropriation to Finance | | |
| Improvement Authorizations | C-8 | <u>20,795.00</u> |
| Balance, December 31, 2021 | C | <u><u>\$ 118,311.08</u></u> |

"C-12"

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR MISCELLANEOUS DEPOSITS

| <u>ITEM</u> | BALANCE DECEMBER <u>31, 2020</u> | CASH <u>RECEIPTS</u> | BALANCE DECEMBER <u>31, 2021</u> |
|------------------------------------|--|-------------------------|--|
| Road Construction & Reconstruction | \$ 855.00 | \$ | \$ 855.00 |
| Sidewalk Repair | 600.00 | | 600.00 |
| DPW Equipment | 40,000.00 | 5,000.00 | 45,000.00 |
| Fire Equipment | 60,000.00 | 10,000.00 | 70,000.00 |
| Rescue Equipment | 80,000.00 | 10,000.00 | 90,000.00 |
| | <u>\$ 181,455.00</u> | <u>\$ 25,000.00</u> | <u>\$ 206,455.00</u> |
| <u>REF.</u> | C | C-2 | C |

"C-13"

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

| | <u>REF.</u> | |
|----------------------------|-------------|----------------------------|
| Balance, December 31, 2020 | C | \$ 251,137.00 |
| Decreased by: | | |
| Cash Receipts | C-2 | <u>154,334.14</u> |
| Balance, December 31, 2021 | C | <u><u>\$ 96,802.86</u></u> |

"C-14"

TOWN OF CLINTON

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|-----------------------------|---|--|
| 2010-06 | Improvements to Gebhardt Field and Rachel Court | \$ 32,775.46 |
| 2013-12 | Leigh Street Improvement | 52,370.03 |
| 2014-18 | Halstead St. Road Improvement | 20,000.00 |
| 2015-11 | Various Improvements | 20,269.00 |
| 2016-09 | Various Capital Improvements | 23,766.00 |
| 2018-01 | Amend Ord. 2017-09 | 250,000.00 |
| 2020-07 | Repair of Sink Hole on Messig Road | 49,400.00 |
| 2020-10 | Various Road Improvements (NJDOT) | 863.00 |
| 2021-26 | Supplemental 2021-18 | <u>118,750.00</u> |
| | | <u>\$ 568,193.49</u> |

TOWN OF CLINTON

WATER UTILITY FUND

SCHEDULE OF CASH - TREASURER

| | REF. | OPERATING | CAPITAL |
|--------------------------------|------|---------------------|-------------------|
| Balance, December 31, 2020 | D | \$ 1,110,384.11 | \$ 1,059,768.07 |
| Increased by Receipts: | | | |
| Collector | D-6 | \$ 4,356,179.68 | \$ |
| Capital Improvement Fund | D-18 | | 120,000.00 |
| Interfunds | D-19 | 5,120.00 | |
| Miscellaneous Reserves | D-22 | | 190,631.00 |
| Loans Receivable | D-13 | | 5,120.00 |
| Appropriation Refunds | D-4 | 21,587.79 | |
| Miscellaneous | D-3 | 104,855.43 | |
| | | <u>4,487,742.90</u> | <u>315,751.00</u> |
| | | \$ 5,598,127.01 | \$ 1,375,519.07 |
| Decreased by Disbursements: | | | |
| 2021 Appropriations | D-4 | \$ 2,729,460.98 | \$ |
| 2020 Appropriation Reserves | D-10 | 79,513.78 | |
| Contracts Payable | D-17 | | 829,240.40 |
| Refund of Overpayments | D-14 | 1,157.05 | |
| Refund of Prior Years' Revenue | D-1 | 5,120.00 | |
| Accrued Interest | D-12 | 301,745.99 | |
| Interfunds | D-23 | | 5,120.00 |
| | | <u>3,116,997.80</u> | <u>834,360.40</u> |
| Balance, December 31, 2021 | D | \$ 2,481,129.21 | \$ 541,158.67 |

"D-6"

TOWN OF CLINTON

WATER UTILITY OPERATING FUND

SCHEDULE OF CASH - COLLECTOR

| | <u>REF.</u> | | |
|---------------------------------|-------------|----|------------------------|
| Balance, December 31, 2020 | D | \$ | 21,339.71 |
| Increased by Receipts: | | | |
| Consumer Accounts Receivable | D-7 | \$ | 4,053,759.66 |
| Overpayments of Water Charges | D-14 | | 8,505.91 |
| Interest on Delinquent Accounts | D-3 | | 3,459.04 |
| Fire Hydrant Fees | D-3 | | <u>272,342.05</u> |
| | | \$ | 4,338,066.66 |
| | | | 4,359,406.37 |
| Decreased by Disbursements: | | | |
| Payment to Treasurer: | | | |
| Water Operating Fund | D-5 | | <u>4,356,179.68</u> |
| Balance, December 31, 2021 | D | \$ | <u><u>3,226.69</u></u> |

"D-7"

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

| | | | |
|----------------------------|---------|----|--------------------------|
| Balance, December 31, 2020 | D | \$ | 600,873.91 |
| Increased by: | | | |
| Water Rents Levied - Net | | | <u>4,153,124.25</u> |
| | | \$ | 4,753,998.16 |
| Decreased by: | | | |
| Collection | D-3:D-6 | \$ | 4,053,759.66 |
| Overpayments Applied | D-14 | | <u>8,491.86</u> |
| | | | <u>4,062,251.52</u> |
| Balance, December 31, 2021 | D | \$ | <u><u>691,746.64</u></u> |

"D-8"

TOWN OF CLINTON

WATER UTILITY OPERATING FUND

SCHEDULE OF CHANGE FUND-
WATER OPERATING FUND

REF.

Balance, December 31, 2020
and December 31, 2021

D

\$ 25.00

"D-9"

SCHEDULE OF INVENTORY

Balance, December 31, 2020

D

\$ 114,984.18

Decreased by:

Adjustment to Actual Inventory

32,451.90

Balance, December 31, 2021

D

\$ 82,532.28

TOWN OF CLINTON

WATER UTILITY OPERATING FUND

SCHEDULE OF 2020 APPROPRIATION RESERVES

| | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> | <u>BALANCE</u> <u>AFTER</u> <u>MODIFICATION</u> | <u>PAID OR</u> <u>CHARGED</u> | <u>BALANCE</u> <u>LAPSED</u> |
|-------------------------------------|--|---|----------------------------------|---------------------------------|
| Operating: | | | | |
| Salaries and Wages | \$ 143,364.36 | \$ 143,364.36 | \$ 1,554.42 | \$ 141,809.94 |
| Other Expenses | 260,874.79 | 286,201.34 | 77,959.36 | 208,241.98 |
| Capital Improvement: | | | | |
| Capital Outlay | 10,000.00 | 10,000.00 | | 10,000.00 |
| Regulatory Expenditures: | | | | |
| Contributions to: | | | | |
| Public Employees' Retirement System | 1.00 | 1.00 | | 1.00 |
| Social Security System (O.A.S.I.) | 11,270.40 | 11,270.40 | | 11,270.40 |
| Unemployment Compensation | 218.87 | 218.87 | | 218.87 |
| | <u>\$ 425,729.42</u> | <u>\$ 451,055.97</u> | <u>\$ 79,513.78</u> | <u>\$ 371,542.19</u> |
| <u>REF.</u> | D | | D-5 | D-1 |
| Balance, December 31, 2020 | D-10 | \$ 425,729.42 | | |
| Encumbrances Payable | D-11 | <u>25,326.55</u> | | |
| | | <u>\$ 451,055.97</u> | | |

"D-11"

TOWN OF CLINTON
WATER UTILITY OPERATING FUND
SCHEDULE FOR ENCUMBRANCES PAYABLE

| | <u>REF.</u> | |
|---------------------------------------|-------------|----------------------------|
| Balance, December 31, 2020 | D | \$ 25,326.55 |
| Increased by: | | |
| Charges to 2021 Appropriations | D-4 | 44,337.28 |
| | | \$ <u>69,663.83</u> |
| Decreased by: | | |
| Transferred to Appropriation Reserves | D-10 | <u>25,326.55</u> |
| Balance, December 31, 2021 | D | \$ <u><u>44,337.28</u></u> |

"D-12"

SCHEDULE OF ACCRUED INTEREST

| | | |
|----------------------------------|-----|----------------------------|
| Balance, December 31, 2020 | D | \$ 80,167.91 |
| Increased by: | | |
| Charges to Budget Appropriations | D-4 | 305,401.00 |
| | | \$ <u>385,568.91</u> |
| Decreased by: | | |
| Cash Disbursements | D-5 | <u>301,745.99</u> |
| Balance, December 31, 2021 | D | \$ <u><u>83,822.92</u></u> |

"D-13"

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF LOANS RECEIVABLE

| | <u>REF.</u> | | |
|----------------------------|-------------|----|-----------------|
| Balance, December 31, 2020 | D | \$ | 5,120.00 |
| Decreased by: | | | |
| Cash Receipts | D-5 | | <u>5,120.00</u> |

"D-14"

WATER UTILITY OPERATING FUND

SCHEDULE OF OVERPAYMENT OF RENTS

| | | | |
|----------------------------|-----|----|-----------------|
| Balance, December 31, 2020 | D | \$ | 8,136.52 |
| Increased by: | | | |
| Collections | D-6 | | <u>8,505.91</u> |
| | | \$ | 16,642.43 |
| Decreased by: | | | |
| Cash Disbursements | D-5 | \$ | 1,157.05 |
| Overpayments Applied | D-7 | | <u>8,136.52</u> |
| | | | <u>9,293.57</u> |
| Balance, December 31, 2021 | D | \$ | <u>7,348.86</u> |

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | DATE | ORDINANCE AMOUNT | | BALANCE DECEMBER 31, 2020 | | 2021 AUTHORIZATION | CONTRACTS PAYABLE | BALANCE DECEMBER 31, 2021 | | |
|--|---|------------|---------------------|--------------|------------------------------|---------------|-----------------------|----------------------|------------------------------|--------------|--|
| | | | | | FUNDED | UNFUNDED | | | FUNDED | UNFUNDED | |
| General Improvements: | | | | | | | | | | | |
| 2012-07 | Various Improvements | 06/12/2012 | \$ | 345,000.00 | \$ | 122,221.76 | \$ | \$ | 122,221.76 | \$ | |
| 2013-04 | Various Improvements | 04/03/2013 | | 1,500,000.00 | | 519,426.68 | | | 519,426.68 | | |
| 2013-08 | Halstead Street Water Main Rehab | 05/22/2013 | | 2,000,000.00 | | 132,174.83 | 3,213.91 | | 132,174.83 | 3,213.91 | |
| 2013-11 | Lebanon Borough Water Main Rehab | 06/05/2013 | | 6,700,000.00 | | | 5,474,175.27 | 175,000.00 | | 5,299,175.27 | |
| 2013-17 | Various Improvements | 08/21/2013 | | 31,750.00 | | 16,025.00 | | | 16,025.00 | | |
| 2014-11 | Improvements to Water Utility | 07/02/2014 | | 107,000.00 | | 8,661.80 | | | 8,661.80 | | |
| 2015-03 | Well #7 Improvement, Well #14 Decommissioning | 03/24/2015 | | 1,025,000.00 | | 67,530.23 | 106,760.00 | | 67,530.23 | 106,760.00 | |
| 2015-04 | Improvements to Well # 4 | 03/24/2015 | | 1,250,000.00 | | | 282,264.20 | 5,286.09 | | 276,978.11 | |
| 2015-05 | Water Utility Improvements | 03/24/2015 | | 140,000.00 | | 6,746.61 | | | 6,746.61 | | |
| 2016-07 | Water Utility Improvements | 07/12/2016 | | 150,000.00 | | 11,085.95 | | | 11,085.95 | | |
| 2016-08 | Various Improvements | 07/12/2016 | | 200,000.00 | | 98,774.00 | | | 98,774.00 | | |
| 2017-10 | West Main Street Water Main Replacement | 12/12/2017 | | 1,740,000.00 | | | 1,500.69 | (1,648.86) | | 3,149.55 | |
| 2017-11 | Foster Wheeler Booster Pump Station | 12/12/2017 | | 1,200,000.00 | | | 649,040.22 | 649,040.22 | | | |
| 2017-12 | Glen Eagles Dr, Muirfield Land and Heather Hill | 12/12/2017 | | 1,350,000.00 | | | 633,510.02 | 8,219.40 | | 625,290.62 | |
| 2018-05 | Various Improvements | 06/25/2018 | | 135,000.00 | | 49,435.59 | | | 49,435.59 | | |
| 2018-07 | Valve and Meter Replacement | 07/10/2018 | | 3,200,000.00 | | | 896,556.91 | (43,092.01) | | 939,648.92 | |
| 2019-07 | Various Improvements | 04/23/2019 | | 183,000.00 | | 109,616.03 | | 353.00 | 109,263.03 | | |
| 2019-15 | Valve and Meter Replacement | 12/10/2019 | | 1,550,000.00 | | | 1,509,764.57 | 845,796.78 | | 663,967.79 | |
| 2020-12 | West Main Street Water Main Replacement Sup. Ord. 2017-10 | 05/13/2020 | | 900,000.00 | | | 390,817.99 | | | 390,817.99 | |
| 2020-15 | Various Water Improvements | 07/22/2020 | | 122,000.00 | | | 120,868.57 | 39,320.00 | | 81,548.57 | |
| 2021-13 | Various Water Improvements | 06/09/2021 | | 283,500.00 | | | | 59,093.41 | | 224,406.59 | |
| | | | \$ | 1,141,698.48 | \$ | 10,068,472.35 | \$ | 1,737,368.03 | \$ | 8,614,957.32 | |
| | | | | D | | D | | D-17 | D | D | |
| | | | REF. | | | | | | | | |
| | | | | D-21 | | | | | | | |
| Deferred Charges to Future Taxation - Unfunded | | | | | | | | | | | |

"D-16"

TOWN OF CLINTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF RESERVE FOR AMORTIZATION

REF.

| | | | | |
|---------------------------------|------|----|-------------------|----------------------|
| Balance, December 31, 2020 | D | | \$ | 12,021,926.26 |
| Increased by: | | | | |
| N.J.E.I.T. Loans Paid by Budget | D-25 | \$ | 377,174.83 | |
| Serial Bonds Paid by Budget | D-26 | | <u>284,725.85</u> | |
| | | | | <u>661,900.68</u> |
| Balance, December 31, 2021 | D | | \$ | <u>12,683,826.94</u> |

"D-17"

SCHEDULE OF RESERVE FOR CONTRACTS PAYABLE

| | | | | |
|---------------------------------------|------|--|----|---------------------|
| Balance, December 31, 2020 | D | | \$ | 2,741,816.47 |
| Increased by: | | | | |
| Charges to Improvement Authorizations | D-15 | | | <u>1,737,368.03</u> |
| | | | \$ | <u>4,479,184.50</u> |
| Decreased by: | | | | |
| Cash Disbursements | D-5 | | | <u>829,240.40</u> |
| Balance, December 31, 2021 | D | | \$ | <u>3,649,944.10</u> |

"D-18"

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

| | <u>REF.</u> | |
|----------------------------|-------------|----------------------|
| Balance, December 31, 2020 | D | \$ 347,419.08 |
| Increased by: | | |
| Cash Receipts | D-5 | <u>120,000.00</u> |
| Balance, December 31, 2021 | D | <u>\$ 467,419.08</u> |

"D-19"

TOWN OF CLINTON

WATER UTILITY OPERATING FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>WATER CAPITAL FUND</u> |
|--|-------------|------------------------|-----------------------------------|
| Balance, December 31, 2020 Due From | D | \$ 1,676,139.00 | \$ 1,676,139.00 |
| Increased by: Cash Receipts | D-5 | <u>5,120.00</u> | <u>5,120.00</u> |
| Balance, December 31, 2021 Due From | D | \$ <u>1,671,019.00</u> | \$ <u>1,671,019.00</u> |

TOWN OF CLINTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

| <u>ACCOUNT</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> |
|---|--|--|
| Water Diversion Rights | \$ 7,500.00 | \$ 7,500.00 |
| Pumping System Land | 5,400.00 | 5,400.00 |
| Water Storage Land | 1,200.00 | 1,200.00 |
| Springs and Wells | 13,014.00 | 13,014.00 |
| Collecting Reservoirs | 16,835.00 | 16,835.00 |
| Intake and Supply Mains | 14,414.00 | 14,414.00 |
| Chemical and Treatment Plant | 1,200.00 | 1,200.00 |
| Pumping Station Structures | 5,001.00 | 5,001.00 |
| Electric Power Pumping Equipment | 40,367.00 | 40,367.00 |
| Distribution Mains and Accessories | 660,711.00 | 660,711.00 |
| Service Pipes, Stops and Taps | 54,452.00 | 54,452.00 |
| Meters, Meter Boxes and Stops | 377,735.00 | 377,735.00 |
| Fire Hydrant and Fire Cisterns | 43,340.00 | 43,340.00 |
| General Equipment and Structures | 44,669.00 | 44,669.00 |
| Engineering and Surveying | 18,174.00 | 18,174.00 |
| Bond Advertising | 338.00 | 338.00 |
| Bond Printing | 292.00 | 292.00 |
| Realtor Fees | 50.00 | 50.00 |
| Legal and Review Fees | 2,830.00 | 2,830.00 |
| Easement Right of Way | 1,825.00 | 1,825.00 |
| Vehicles | 253,303.00 | 253,303.00 |
| Wellhouse #12 | 51,048.00 | 51,048.00 |
| Fencing - Lilac Drive | 2,831.00 | 2,831.00 |
| Office Equipment | 1,879.00 | 1,879.00 |
| Barn Improvements | 3,714.00 | 3,714.00 |
| Communication Equipment | 3,629.00 | 3,629.00 |
| Electrical System - Lilac Drive | 210.00 | 210.00 |
| Meter Cleaning Machine | 2,988.00 | 2,988.00 |
| Chlorine Tank and Fittings | 934.00 | 934.00 |
| Automotive Equipment | 101,189.00 | 101,189.00 |
| Improvement - Water System - Ord. 11/03/79 | 149,405.00 | 149,405.00 |
| Improvement - Water System - Ord. 11/03/71 | 200,000.00 | 200,000.00 |
| Improvement - Water Supply and Distribution System - Ord. 04/01/77 | 698,225.00 | 698,225.00 |
| Miscellaneous Equipment | 38,807.70 | 38,807.70 |
| 12" Sea Gate Valves | 1,222.00 | 1,222.00 |
| Power Operator | 1,095.00 | 1,095.00 |
| Chlorinators | 5,504.00 | 5,504.00 |
| Snow Thrower | 1,713.00 | 1,713.00 |
| Screw Plugs and Tapping Machines | 1,058.00 | 1,058.00 |
| Copper Tubing | 790.00 | 790.00 |
| Contribution in Aid of Construction | 472,220.00 | 472,220.00 |
| Test Wells | 34,336.00 | 34,336.00 |
| Flow Meter | 3,080.00 | 3,080.00 |
| Replacement Pumps | 23,759.00 | 23,759.00 |
| Renovation of the Lebanon Well and Complete Construction of New Well Located at the Municipal Building | 115,065.00 | 115,065.00 |
| Aqua Scope Equipment | 1,600.00 | 1,600.00 |

TOWN OF CLINTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

| <u>ACCOUNT</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> |
|---|--|--|
| Backhoe | \$ 34,192.00 | \$ 34,192.00 |
| Trash Pump | 2,585.00 | 2,585.00 |
| Pipe and Cable Locator | 4,418.00 | 4,418.00 |
| Rotating Assemblies | 1,933.00 | 1,933.00 |
| Pipe Saw | 799.00 | 799.00 |
| York Rake | 1,181.00 | 1,181.00 |
| Blower Heater | 308.00 | 308.00 |
| Cleaning Equipment | 3,045.00 | 3,045.00 |
| Magnetic Locators | 2,978.00 | 2,978.00 |
| Photocopier | 1,295.00 | 1,295.00 |
| Accu Punch | 4,975.00 | 4,975.00 |
| Tapping Machine | 746.00 | 746.00 |
| Telephone System | 7,493.00 | 7,493.00 |
| Computer System | 11,996.00 | 11,996.00 |
| Computer Billing Software | 6,000.00 | 6,000.00 |
| Test Tanks | 1,109.00 | 1,109.00 |
| Improvements - Water System - Ord. 08/05/80 | 350,000.00 | 350,000.00 |
| Generator | 46,723.00 | 46,723.00 |
| Leak Detector | 6,972.00 | 6,972.00 |
| Renovations to the Clinton Point Well and Replacement of Pump West End - Ord. 04/27/82 | 25,597.00 | 25,597.00 |
| Public Works Equipment and Water Leak Survey - Ord. 02/12/85 | 19,266.00 | 19,266.00 |
| Construction of Well #15 | 42,662.00 | 42,662.00 |
| Fire Hose | 1,248.00 | 1,248.00 |
| Chem-O-Feeders | 4,180.00 | 4,180.00 |
| Vibrator Wacker | 10,950.00 | 10,950.00 |
| Pipe Threader | 3,017.00 | 3,017.00 |
| Pavement Breaker | 7,442.00 | 7,442.00 |
| Portable Air Compressor | 10,750.00 | 10,750.00 |
| Meter Reading Computer System | 8,800.00 | 8,800.00 |
| Survey Instruments | 902.00 | 902.00 |
| Tank Inspections | 2,450.00 | 2,450.00 |
| Computer Monitoring Hardware and Software | 9,950.00 | 9,950.00 |
| Transceiver Unit and Part Expanders | 13,743.00 | 13,743.00 |
| 2 Used Four Wheel Tractors | 5,000.00 | 5,000.00 |
| 2 Digital Loggers | 4,004.00 | 4,004.00 |
| Pipe Meter Rebuilding Kit | 2,631.00 | 2,631.00 |
| High Street Bridge Water Line Reconstruction | 80,000.00 | 80,000.00 |
| Improvement to the Water Supply System - Ord. 09/11/84 | 500,000.00 | 500,000.00 |
| Improvement to the Water Supply System - Ord. 06/10/87 | 250,000.00 | 250,000.00 |
| Exploration and Development of Water Storage Facilities - Ord. 05/22/90 | 250,000.00 | 250,000.00 |

TOWN OF CLINTON
WATER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

| <u>ACCOUNT</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> |
|--|--|--|
| Improvement to the Water Supply System - Ord. 05/23/95 | \$ 750,000.00 | \$ 750,000.00 |
| Painting of Water Tanks - Ord. # 2001-09 | 44,605.00 | 44,605.00 |
| Construction of Well # 15 - Ord. # 2002-11 | 285,076.00 | 285,076.00 |
| Vehicles | 74,466.00 | 74,466.00 |
| Refurbish Office - 47 Leigh St. - Ord # 2006-15 | 275,000.00 | 275,000.00 |
| Improvements to DeMott Pond - Ord # 2006-09 | 120,000.00 | 120,000.00 |
| Capital Outlay - 2008 | 70,000.00 | 70,000.00 |
| Capital Outlay - 2009 | 15,000.00 | 15,000.00 |
| Capital Outlay - 2010 | 20,093.00 | 20,093.00 |
| Capital Outlay - 2012 | 7,500.00 | 7,500.00 |
| Capital Outlay - 2013 | 60,000.00 | 60,000.00 |
| Improvements to Water System - Ord. 2002-12 | 1,491,731.76 | 1,491,731.76 |
| Well Improvements - Ord. 2009-02 | 249,150.00 | 249,150.00 |
| Pipe Replacements - Ord. 2010-03 | 118,818.57 | 118,818.57 |
| Various Acquisitions Ord. 2007-08 | 61,000.00 | 61,000.00 |
| Various Acquisitions Ord. 2007-14 | 2,000,000.00 | 2,000,000.00 |
| Various Improvements Ord. 2008-09 | 538,949.14 | 538,949.14 |
| Various Improvements Ord. 2009-11 | 3,798,601.99 | 3,798,601.99 |
| Various Improvements Ord. 2010-09 | 2,316,321.85 | 2,316,321.85 |
| Various Improvements Ord. 2011-08 | 897,236.78 | 897,236.78 |
| Halstead Street Water Main Rehabilitation Ord. 2013-08 | 1,360,775.17 | 1,360,775.17 |
| | <u>\$ 19,774,616.96</u> | <u>\$ 19,774,616.96</u> |
| <u>REF.</u> | D | D |

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | DATE | ORDINANCE AMOUNT | BALANCE DECEMBER 31, 2020 | ADDITIONS | BALANCE DECEMBER 31, 2021 |
|---------------------|---|------------|---------------------|---------------------------------|----------------------|---------------------------------|
| 2012-07 | Various Improvements | 06/12/2012 | \$ 345,000.00 | \$ 345,000.00 | \$ | \$ 345,000.00 |
| 2013-04 | Various Improvements | 04/03/2013 | 1,500,000.00 | 1,500,000.00 | | 1,500,000.00 |
| 2013-08 | Halstead Street Water Main Rehab | 05/22/2013 | 2,000,000.00 | 135,388.74 | | 135,388.74 |
| 2013-11 | Lebanon Borough Water Main Rehab | 06/05/2013 | 6,700,000.00 | 6,700,000.00 | | 6,700,000.00 |
| 2013-17 | Various Improvements | 08/21/2013 | 31,750.00 | 31,750.00 | | 31,750.00 |
| 2014-11 | Improvements to Water Utility | 07/02/2014 | 107,000.00 | 107,000.00 | | 107,000.00 |
| 2015-03 | Well #7 Improvement, Well #14 Decommissioning | 03/24/2015 | 1,025,000.00 | 1,025,000.00 | | 1,025,000.00 |
| 2015-04 | Improvements to Well # 4 | 03/24/2015 | 1,250,000.00 | 1,250,000.00 | | 1,250,000.00 |
| 2015-05 | Water Utility Improvements | 03/24/2015 | 140,000.00 | 140,000.00 | | 140,000.00 |
| 2016-07 | Water Utility Improvements | 07/12/2016 | 150,000.00 | 150,000.00 | | 150,000.00 |
| 2016-08 | Various Improvements | 07/12/2016 | 200,000.00 | 200,000.00 | | 200,000.00 |
| 2017-10 | West Main Street Water Main Replacement | 12/12/2017 | 1,740,000.00 | 1,740,000.00 | | 1,740,000.00 |
| 2017-11 | Foster Wheeler Booster Pump Station | 12/12/2017 | 1,200,000.00 | 1,200,000.00 | | 1,200,000.00 |
| 2017-12 | Glen Eagles Dr. Muirfield Land and Heather Hill | 12/12/2017 | 1,350,000.00 | 1,350,000.00 | | 1,350,000.00 |
| 2018-05 | Various Improvements | 06/25/2018 | 135,000.00 | 135,000.00 | | 135,000.00 |
| 2018-07 | Valve and Meter Replacement | 07/10/2018 | 3,200,000.00 | 3,200,000.00 | | 3,200,000.00 |
| 2019-07 | Various Improvements | 04/23/2019 | 183,000.00 | 183,000.00 | | 183,000.00 |
| 2019-15 | Valve Meter Replacement | 12/10/2019 | 1,550,000.00 | 1,550,000.00 | | 1,550,000.00 |
| 2020-12 | West Main Street Water Main Replacement Sup. Ord. 2017-10 | 05/13/2020 | 900,000.00 | 900,000.00 | | 900,000.00 |
| 2020-15 | Various Water Improvements | 07/22/2020 | 122,000.00 | 122,000.00 | | 122,000.00 |
| 2021-13 | Various Water Improvements | 06/09/2021 | 283,500.00 | | 283,500.00 | 283,500.00 |
| | | | | <u>\$ 21,964,138.74</u> | <u>\$ 283,500.00</u> | <u>\$ 22,247,638.74</u> |
| | | REF. | | D | D-15 | D |

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF MISCELLANEOUS RESERVES

| | BALANCE DECEMBER 31, 2020 | TRANSFERS | CASH RECEIPTS | TRANSFER TO LOANS PAYABLE | BALANCE DECEMBER 31, 2021 |
|--|---------------------------------|-------------|----------------------|---------------------------------|---------------------------------|
| Improvement of Water Storage Facility | \$ 41,984.20 | \$ | \$ | \$ | 41,984.20 |
| Painting of Water Tanks | 30,395.00 | | | | 30,395.00 |
| New Wells | 6,212.00 | | | | 6,212.00 |
| Water Utility Improvements | 8,750.00 | | 40,000.00 | | 8,750.00 |
| Public Works Equipment | 85,500.00 | | | | 125,500.00 |
| N.J.E.I.T. - Short term loan advances: | | | | | |
| S340-924-07 | 279,107.00 | | | | 279,107.00 |
| W1005001-011 | 557,217.00 | (37,456.00) | 150,631.00 | 670,392.00 | 1,196,827.00 |
| W1005001-010 | 1,196,827.00 | 37,456.00 | | | 37,456.00 |
| Reserve to Pay Debt - N.J.E.I.T. Premium | | | | | |
| | <u>\$ 2,205,992.20</u> | <u>\$</u> | <u>\$ 190,631.00</u> | <u>\$ 670,392.00</u> | <u>\$ 1,726,231.20</u> |
| REF. | D | | D-5 | D-25 | D |

"D-23"

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>WATER OPERATING FUND</u> |
|--------------------------------------|-------------|-------------------------------|-------------------------------------|
| Balance, December 31, 2020 Due To | D | \$ <u>1,676,139.00</u> | \$ <u>1,676,139.00</u> |
| Decreased by: | | | |
| Cash Disbursements | D-5 | <u>5,120.00</u> | <u>5,120.00</u> |
| Balance, December 31, 2021 Due To | D | \$ <u><u>1,671,019.00</u></u> | \$ <u><u>1,671,019.00</u></u> |

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF ORDINANCE</u> | <u>BALANCE DECEMBER 31, 2020</u> | <u>PAID BY BUDGET</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|-----------------------------|---|------------------------------|--|---------------------------|--|
| General Improvements: | | | | | |
| 2012-07 | Various Improvements | 06/12/2012 | \$ 345,000.00 | \$ | \$ 345,000.00 |
| 2013-04 | Various Improvements | 04/03/2013 | 382,320.03 | 65,274.15 | 447,594.18 |
| 2013-17 | Various Improvements | 08/21/2013 | 31,750.00 | | 31,750.00 |
| 2014-11 | Improvements to Water Utility | 07/02/2014 | 107,000.00 | | 107,000.00 |
| 2015-03 | Well #7 Improvement, Well # 14 Decommissioning | 03/24/2015 | 119,062.21 | 26,673.33 | 145,735.54 |
| 2015-05 | Improvements to Well # 4 | 03/24/2015 | 140,000.00 | | 140,000.00 |
| 2016-07 | Various Improvements | 07/12/2016 | 150,000.00 | | 150,000.00 |
| 2016-08 | Various Improvements | 07/12/2016 | 200,000.00 | | 200,000.00 |
| 2017-12 | Glen Eagles Drive, Muirfield Lane and Heather Hill Way Water Main Replacement | 12/12/2017 | | 795.32 | 795.32 |
| 2018-05 | Various Improvements | 06/26/2018 | 135,000.00 | | 135,000.00 |
| 2019-07 | Various Improvements | 04/26/2019 | 183,000.00 | | 183,000.00 |
| | | | <u>\$ 1,793,132.24</u> | <u>\$ 92,742.80</u> | <u>\$ 1,885,875.04</u> |
| | | <u>REF.</u> | <u>D</u> | | <u>D</u> |
| Bonds Payable | | | | | |
| | | D-26 | \$ | 65,274.15 | |
| NJFIT Loans Payable | | | | | |
| | | D-25 | | <u>27,468.65</u> | |
| | | | \$ | <u>92,742.80</u> | |

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS PAYABLE

| <u>PURPOSE</u> | <u>DATE OF ISSUE</u> | <u>ORIGINAL ISSUE</u> | <u>MATURITIES OF LOANS OUTSTANDING</u> | | | <u>INTEREST RATE</u> | <u>BALANCE DECEMBER 31, 2020</u> | <u>ISSUED</u> | <u>DECREASED</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|---|--------------------------|---|--|---------------|--------------------------|--------------------------|--|---------------|------------------|--|
| | | | <u>DATE</u> | <u>AMOUNT</u> | <u>DECEMBER 31, 2021</u> | | | | | |
| Replacement of Water Mains, Leigh Street, Construction of Storage Tank (Trust Loan) | 12/2/2010 | \$ 1,910,000.00 (530,000.00) <u>(68,000.00)</u> 1,312,000.00 | 08/01/22 | \$ | 91,000.00 | 4.000% | \$ | \$ | | \$ |
| | | | 08/01/23 | | 96,000.00 | 4.000% | | | | |
| | | | 08/01/24 | | 100,000.00 | 5.000% | | | | |
| | | | 08/01/25 | | 110,000.00 | 5.000% | | | | |
| | | | 08/01/26 | | 114,000.00 | 4.250% | | | | |
| | | | 08/01/27 | | 27,000.00 | 4.500% | 625,000.00 | | 87,000.00 | 538,000.00 |
| Replacement of Water Mains, Leigh Street, Construction of Storage Tank (Fund Loan) | 12/2/2010 | 2,053,323.00 (587,557.00) <u>(49,209.00)</u> 1,416,557.00 | 2022-2023 | | 104,406.24 | | | | | |
| | | | 2024 | | 94,077.96 | 0% | 407,296.68 | | 104,406.24 | 302,890.44 |
| | | | | | | | | | | |
| Replacement of Water Mains, Leigh Street, Construction of Storage Tank (Trust Loan) | 05/03/2012 | 405,000.00 (12,968.00) <u>392,032.00</u> | 08/01/22 | | 19,679.00 | 5.000% | | | | |
| | | | 08/01/23 | | 19,534.00 | 4.000% | | | | |
| | | | 08/01/24 | | 19,383.00 | 4.000% | | | | |
| | | | 08/01/25 | | 23,889.00 | 5.000% | | | | |
| | | | 08/01/26 | | 23,678.00 | 5.000% | | | | |
| | | | 08/01/27 | | 23,460.00 | 4.250% | | | | |
| | | | 08/01/28 | | 28,127.00 | 4.500% | | | | |
| | | | 08/01/29 | | 28,132.00 | 4.500% | | | | |
| | | | 08/01/30 | | 28,101.00 | 4.500% | | | | |
| | | | 08/01/31 | | 28,049.00 | 4.250% | 262,032.00 | | 20,000.00 | 242,032.00 |
| Replacement of Water Mains, Leigh Street, Construction of Storage Tank (Fund Loan) | 05/03/2012 | 1,304,088.00 (46,898.00) <u>1,257,190.00</u> | 2021-2030 | | 66,309.55 | | | | | |
| | | | 2031 | | 19,411.73 | 0% | 682,507.23 | | 66,309.55 | 616,197.68 |

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST LOANS PAYABLE

| PURPOSE | DATE OF ISSUE | ORIGINAL ISSUE | MATURITIES OF LOANS OUTSTANDING | | | INTEREST RATE | BALANCE DECEMBER 31, 2020 | ISSUED | DECREASED | BALANCE DECEMBER 31, 2021 |
|---|------------------|---------------------|------------------------------------|--------------|--------|------------------|---------------------------------|--------|-----------|---------------------------------|
| | | | DATE | AMOUNT | | | | | | |
| Halstead Street Project (Trust Loan) | 05/21/2014 | \$ 370,000.00 | 08/01/22-24 | \$ 20,000.00 | 5.000% | \$ | \$ | | | \$ |
| | | | 08/01/25-28 | 20,000.00 | 3.000% | | | | | |
| | | | 08/01/29-31 | 25,000.00 | 3.000% | | | | | |
| | | | 08/01/2032 | 25,000.00 | 3.125% | | 280,000.00 | | 15,000.00 | 265,000.00 |
| | | | 08/01/2033 | 25,000.00 | 3.250% | | | | | |
| Halstead Street Project (Fund Loan) | 05/21/2014 | 1,131,183.00 | 2022-2032 | 57,517.77 | | | 739,498.20 | | 57,517.77 | 681,980.43 |
| | | (8,233.00) | 2033 | 49,284.96 | 0% | | | | | |
| | | <u>1,122,950.00</u> | | | | | | | | |
| Wells #4, #7 and #14 (Trust Loan) | 08/01/2018 | 440,000.00 | 08/1/22-27 | 10,000.00 | 5.000% | | | | | |
| | | | 08/1/28-31 | 15,000.00 | 3.000% | | | | | |
| | | | 08/1/32-33 | 15,000.00 | 3.125% | | | | | |
| | | | 08/1/34-35 | 15,000.00 | 3.250% | | | | | |
| | | | 08/1/36-38 | 15,000.00 | 3.375% | | | | | |
| | | | 08/1/2039 | 20,000.00 | 3.375% | | | | | |
| | | | 08/1/40-46 | 20,000.00 | 3.500% | | 420,000.00 | | 10,000.00 | 410,000.00 |
| | | | 08/1/47 | 25,000.00 | 3.500% | | | | | |
| Wells #4, #7 and #14 (Fund Loan) | 08/01/2018 | 1,293,900.00 | 2020-2046 | 43,614.60 | | | 1,177,594.40 | | 43,614.60 | 1,133,979.80 |
| | | | 2047 | 43,614.80 | 0% | | | | | |

[illegible]

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

| IMPROVEMENT DESCRIPTION | DATE OF ORIGINAL ISSUE | AMOUNT OF ORIGINAL ISSUE | OUTSTANDING DECEMBER 31, 2021 | | INTEREST RATE | BALANCE DECEMBER 31, 2020 | DECREASED | BALANCE DECEMBER 31, 2021 |
|-------------------------|------------------------------|--------------------------------|-----------------------------------|----------------------|------------------------|---------------------------------|-------------------|---------------------------------|
| | | | DATE | AMOUNT | | | | |
| General Improvements | 8/1/2013 | \$ 8,043,000.00 | 08/01/22 | \$ 400,000.00 | 4.000% | \$ | \$ | \$ |
| | | | 08/01/23 | 450,000.00 | 3.250% | | | |
| | | | 08/01/24 | 450,000.00 | 3.500% | | | |
| | | | 08/01/25 | 450,000.00 | 3.500% | | | |
| | | | 08/01/26 | 450,000.00 | 4.000% | | | |
| | | | 08/01/27 | 450,000.00 | 4.000% | | | |
| | | | 08/01/28 | 500,000.00 | 4.000% | | | |
| | | | 08/01/29 | 500,000.00 | 4.000% | | | |
| | | | 08/01/30 | 500,000.00 | 4.000% | | | |
| | | | 08/01/31 | 500,000.00 | 4.125% | | | |
| | | | 08/01/32 | 500,000.00 | 4.250% | | | |
| | | | 08/01/33 | 493,000.00 | 4.250% | 5,993,000.00 | 350,000.00 | 5,643,000.00 |
| | | | | | | <u>5,993,000.00</u> | <u>350,000.00</u> | <u>5,643,000.00</u> |
| | | | <u>\$ 5,993,000.00</u> | <u>\$ 350,000.00</u> | <u>\$ 5,643,000.00</u> | | | |
| | | | | | | D | D | |
| | | | REF. | | | | | |
| | | | Reserve for Deferred Amortization | | | \$ | 65,274.15 | |
| | | | Reserve for Amortization | | | | <u>284,725.85</u> | |
| | | | | | | \$ | <u>350,000.00</u> | |

TOWN OF CLINTON

WATER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|-----------------------------|--|--|
| 2011-08 | Various Improvements | \$ 81,704.78 |
| 2013-08 | Halstead Street Water Main | 3,213.91 |
| 2013-11 | Lebanon Borough Water Main | 6,700,000.00 |
| 2015-03 | Well #7 Improvement, Well # 14 Decommissioning | 106,760.00 |
| 2015-04 | Improvements to Well # 4 | 383,090.00 |
| 2017-10 | West Main Street Water Main Replacement | 1,740,000.00 |
| 2017-11 | Foster Wheeler Booster Pump Station | 1,200,000.00 |
| 2017-12 | Glen Eagles Drive, Muirfield Lane and Heather Hill Way Water Main Replacement | 679,608.00 |
| 2018-07 | Valve and Meter Replacement | 3,200,000.00 |
| 2019-15 | Valve and Meter Replacement | 1,550,000.00 |
| 2020-12 | West Main Street Water Main Replacement- Sup. Ord 2017-10 | 900,000.00 |
| 2020-15 | Various Water Improvements | 122,000.00 |
| 2021-13 | Various Water Improvements | 283,500.00 |
| | | <u>\$ 16,949,876.69</u> |

TOWN OF CLINTON

SEWER UTILITY FUND

SCHEDULE OF CASH - TREASURER

| REF. | OPERATING | CAPITAL |
|--|-----------------|-----------------|
| E | \$ 816,175.22 | \$ 881,226.26 |
| Balance, December 31, 2020 | | |
| Increased by Receipts: | | |
| Collector | \$ 2,237,506.77 | \$ |
| Interfunds | | 100,000.00 |
| Budget Appropriations: | | |
| Capital Improvement Fund | | 50,000.00 |
| Miscellaneous Reserves | | 3,589,563.00 |
| Appropriation Refunds | 157,813.58 | |
| Refunds - Improvement Authorizations | 100,000.00 | 200,000.00 |
| Capital Surplus Anticipated as Operating Revenue | 138,547.97 | |
| Miscellaneous | | |
| | 2,633,868.32 | 3,939,563.00 |
| | \$ 3,450,043.54 | \$ 4,820,789.26 |
| Decreased by Disbursements: | | |
| 2021 Appropriations | \$ 2,115,435.96 | \$ |
| 2020 Appropriation Reserves | 158,154.68 | |
| Accrued Interest on Loans | 11,704.27 | |
| Interfunds | 100,000.00 | |
| Capital Surplus | | 100,000.00 |
| Refund of Overpayments | 435.87 | |
| Contracts Payable | | 3,161,057.70 |
| | 2,385,730.78 | 3,261,057.70 |
| Balance, December 31, 2021 | \$ 1,064,312.76 | \$ 1,559,731.56 |

"E-6"

TOWN OF CLINTON

SEWER UTILITY OPERATING FUND

SCHEDULE OF CASH - COLLECTOR

| | <u>REF.</u> | <u>OPERATING</u> |
|----------------------------------|-------------|---------------------------|
| Increased by Receipts: | | |
| Consumer Accounts Receivable | E-7 | \$ 1,493,284.96 |
| Sewer Overpayments | E-10 | 2,862.68 |
| Penalties on Delinquent Accounts | E-3 | 741,800.09 |
| Miscellaneous | E-3 | <u>877.00</u> |
| | | 2,238,824.73 |
| | | <u>\$ 2,238,824.73</u> |
| Decreased by Disbursements: | | |
| Payment to Treasurer: | | |
| Sewer Operating Fund | E-5 | <u>2,237,506.77</u> |
| Balance, December 31, 2021 | E | <u><u>\$ 1,317.96</u></u> |

"E-7"

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

| | | |
|----------------------------|----------|-------------------------------|
| Balance, December 31, 2020 | E | \$ 3,404,032.18 |
| Increased by: | | |
| Sewer Rents Levied - Net | | <u>2,348,557.61</u> |
| | | <u>\$ 5,752,589.79</u> |
| Decreased by: | | |
| Collection | E-3:E-6 | \$ 1,493,284.96 |
| Overpayment Applied | E-3:E-10 | <u>30,472.81</u> |
| | | <u>1,523,757.77</u> |
| Balance, December 31, 2021 | E | <u><u>\$ 4,228,832.02</u></u> |

TOWN OF CLINTON

SEWER UTILITY OPERATING FUND

SCHEDULE OF 2020 APPROPRIATION RESERVES

| | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> | <u>BALANCE</u> <u>AFTER</u> <u>TRANSFERS</u> | <u>PAID OR</u> <u>CHARGED</u> | <u>BALANCE</u> <u>LAPSED</u> |
|-------------------------------------|--|--|----------------------------------|---------------------------------|
| Operating: | | | | |
| Salaries and Wages | \$ 52,943.05 | \$ 52,943.05 | \$ 2,257.58 | \$ 50,685.47 |
| Other Expenses | 142,116.66 | 244,581.16 | 155,897.10 | 88,684.06 |
| Regulatory Expenses: | | | | |
| Public Employees' Retirement System | 1.00 | 1.00 | | 1.00 |
| Social Security | 5,671.80 | 5,671.80 | | 5,671.80 |
| Unemployment Compensation | <u>179.32</u> | <u>179.32</u> | | <u>179.32</u> |
| | <u>\$ 200,911.83</u> | <u>\$ 303,376.33</u> | <u>\$ 158,154.68</u> | <u>\$ 145,221.65</u> |
| <u>REF.</u> | E | | E-5 | E-1 |
| Balance, December 31, 2020 | E-8 | \$ 200,911.83 | | |
| Encumbrances Payable | E-11 | <u>102,464.50</u> | | |
| | | <u>\$ 303,376.33</u> | | |

"E-9"

TOWN OF CLINTON
SEWER UTILITY OPERATING FUND
SCHEDULE OF INVENTORY

| | <u>REF.</u> | |
|--------------------------------|-------------|-----------------------------|
| Balance, December 31, 2020 | E | \$ 284,745.01 |
| Decreased by: | | |
| Adjustment to Actual Inventory | | <u>16,311.85</u> |
| Balance, December 31, 2021 | E | <u><u>\$ 268,433.16</u></u> |

"E-10"

SCHEDULE OF SEWER OVERPAYMENT

| | | |
|----------------------------|-----|---------------------------|
| Balance, December 31, 2020 | E | \$ 30,472.81 |
| Increased by: | | |
| Cash Receipts | E-6 | <u>2,862.68</u> |
| | | <u>\$ 33,335.49</u> |
| Decreased by: | | |
| Cash Disbursements | E-5 | \$ 435.87 |
| Applied to Receivable | E-7 | <u>30,472.81</u> |
| | | <u>30,908.68</u> |
| Balance, December 31, 2021 | E | <u><u>\$ 2,426.81</u></u> |

"E-11"

TOWN OF CLINTON

SEWER UTILITY OPERATING FUND

SCHEDULE OF RESERVE FOR ENCUMBRANCES

| | <u>REF.</u> | | |
|---------------------------------------|-------------|----|-------------------------|
| Balance, December 31, 2020 | E | \$ | 102,464.50 |
| Increased by: | | | |
| Transferred from Budget | E-4 | | <u>78,097.59</u> |
| | | \$ | <u>180,562.09</u> |
| Decreased by: | | | |
| Transferred to Appropriation Reserves | E-8 | | <u>102,464.50</u> |
| Balance, December 31, 2021 | E | \$ | <u><u>78,097.59</u></u> |

"E-12"

SCHEDULE OF ACCRUED INTEREST ON LOANS

| | | | |
|----------------------------|-----|----|-------------------------|
| Balance, December 31, 2020 | E | \$ | 23,735.29 |
| Increased by: | | | |
| Budget Appropriation | E-4 | | <u>13,864.00</u> |
| | | \$ | <u>37,599.29</u> |
| Decreased by: | | | |
| Cash Disbursements | E-5 | \$ | 11,704.27 |
| Canceled | E-1 | | <u>3,512.77</u> |
| | | | <u>15,217.04</u> |
| Balance, December 31, 2021 | E | \$ | <u><u>22,382.25</u></u> |

"E-13"

TOWN OF CLINTON

SEWER UTILITY OPERATING FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>SEWER CAPITAL FUND</u> |
|--|-------------|----------------------|-----------------------------------|
| Cash Disbursements | E-5 | \$ <u>100,000.00</u> | <u>100,000.00</u> |
| Balance, December 31, 2021 Due From | E | <u>100,000.00</u> | <u>100,000.00</u> |

TOWN OF CLINTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF CONTRACTS PAYABLE

| | <u>REF.</u> | |
|---------------------------------------|-------------|-----------------------------|
| Balance, December 31, 2020 | E | \$ 2,668,504.00 |
| Increased by: | | |
| Charges to Improvement Authorizations | E-18 | <u>678,625.70</u> |
| | | \$ <u>3,347,129.70</u> |
| Decreased by: | | |
| Cash Disbursements | E-5 | <u>3,161,057.70</u> |
| Balance, December 31, 2021 | E | \$ <u><u>186,072.00</u></u> |

TOWN OF CLINTON

SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | ORDINANCE | | BALANCE DECEMBER 31, 2020 | ADDITIONS | BALANCE DECEMBER 31, 2021 |
|-----------------------|---|------------|---------------|---------------------------------|---------------|---------------------------------|
| | | DATE | AMOUNT | | | |
| General Improvements: | | | | | | |
| 2011-10 | Sewer Utility Improvements | 05/24/2011 | \$ 137,000.00 | \$ 137,000.00 | \$ | 137,000.00 |
| 2012-06 | Sewer Utility Improvements | 06/12/2012 | | 125,000.00 | | 125,000.00 |
| 2013-16 | Improvements to Sewer Utility | 08/21/2013 | | 395,250.00 | | |
| 2014-10 | Various Sewer Improvements | 06/04/2014 | | 54,500.00 | | 54,500.00 |
| 2016-10 | Various Sewer Improvements | 05/12/2015 | | 100,000.00 | | 100,000.00 |
| 2016-06 | Sewer Utility Improvements | 07/12/2016 | | 200,000.00 | | 200,000.00 |
| 2016-11 | Purchase Pickup Truck | 10/11/2016 | | 40,000.00 | | 40,000.00 |
| 2017-07 | Improvements to Wastewater Treatment Plant | 10/23/2017 | | 125,000.00 | | 125,000.00 |
| 2018-06 | Various Sewer Improvements | 06/26/2018 | | 125,000.00 | | 125,000.00 |
| 2019-08 | Various Sewer Improvements | 04/23/2019 | | 118,000.00 | | 118,000.00 |
| 2019-13 | Improvements to Wastewater Treatment | 10/22/2019 | | 3,389,400.00 | | 3,389,400.00 |
| 2020-09 | Filter and Residual Building Improvements Wastewater Treatment Plant | 03/25/2020 | | 500,000.00 | | 500,000.00 |
| 2021-11 | Sewer Utility Improvements | 05/12/2021 | | 150,000.00 | 150,000.00 | 150,000.00 |
| 2021-15 | Acquisition of Equipment | 06/09/2021 | | 100,000.00 | 100,000.00 | 100,000.00 |
| | | | | \$ 4,913,900.00 | \$ 250,000.00 | \$ 5,163,900.00 |
| | | | | REF. | E-18 | E |

TOWN OF CLINTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF FIXED CAPITAL

| | BALANCE DECEMBER <u>31, 2020</u> | BALANCE DECEMBER <u>31, 2021</u> |
|---|--|--|
| Construction of Garage | \$ 3,129.00 | \$ 3,129.00 |
| Office Equipment | 25,171.00 | 25,171.00 |
| Automotive Equipment | 161,126.00 | 161,126.00 |
| Equipment Repairs | 1,534.00 | 1,534.00 |
| Engineering Services | 12,764.00 | 12,764.00 |
| Architect Services | 4,800.00 | 4,800.00 |
| Miscellaneous Equipment | 107,495.00 | 107,495.00 |
| Miscellaneous Repairs to Sewer Plant | 29,413.00 | 29,413.00 |
| Sewer Line Repairs | 153,151.00 | 153,151.00 |
| Telephone System | 11,108.00 | 11,108.00 |
| Incubator Lab Kit | 2,484.00 | 2,484.00 |
| Backhoes | 33,441.00 | 33,441.00 |
| Computer Equipment and Software | 51,690.00 | 51,690.00 |
| Leigh Street Bridge Rehabilitation | 9,464.00 | 9,464.00 |
| Fencing and Gates | 5,298.00 | 5,298.00 |
| Alarm System | 25,851.00 | 25,851.00 |
| Trash pump | 4,000.00 | 4,000.00 |
| Gasoline Tank Upgrade | 3,000.00 | 3,000.00 |
| New Boiler | 9,200.00 | 9,200.00 |
| Testing Machine for Ammonia | 8,359.00 | 8,359.00 |
| Improvement Authorizations: | | |
| Construction of Sewer System 06/67 | 1,800,000.00 | 1,800,000.00 |
| Construction of Sewer System 08/70 | 251,580.00 | 251,580.00 |
| Sewer Plant Addition 09/75 | 353,152.00 | 353,152.00 |
| Improvement to Sewer Plant 11/83 and 03/87 | 1,476,746.00 | 1,476,746.00 |
| Water Quality Monitoring Program and Study the Feasibility of an Expansion of the Sewer Treatment Plant 07/86 | 99,683.00 | 99,683.00 |
| Mandated Expansion in the Closure of the Sludge Disposal Site 01/87 | 47,439.00 | 47,439.00 |
| Waste Water Treatment Plant Restoration 08/98 | 71,314.00 | 71,314.00 |
| Four Wheel Drive Vehicle 01/02 | 9,958.00 | 9,958.00 |
| Capital Outlay 2007 | 161,117.83 | 161,117.83 |
| Capital Outlay 2008 | 30,621.50 | 30,621.50 |
| Capital Outlay 2009 | 11,589.60 | 11,589.60 |
| Refurbish Office - 47 Leigh Street - Ord #06-15 | 400,000.00 | 400,000.00 |
| Improvements to Sanitary Sewer - Ord. #07-01 | 149,801.03 | 149,801.03 |
| Renovations and Upgrade to WWTP Ord 1989-10 | 5,459,376.00 | 5,459,376.00 |
| Clinton Knolls Project Ord. 2008-10 | 57,064.47 | 57,064.47 |
| Tertiary Filter Upgrade Ord 2011-04 | 1,205,860.19 | 1,205,860.19 |
| Various Acquisitions Ord 2007-08 | 60,000.00 | 60,000.00 |
| Improvements to Sewer Utility Ord 2013-16 | 395,250.00 | 395,250.00 |
| | <u>\$ 12,703,030.62</u> | <u>\$ 12,703,030.62</u> |

REF.

E

E

TOWN OF CLINTON
SEWER UTILITY CAPITAL FUND
SCHEDULE OF MISCELLANEOUS RESERVES

| | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2020</u> | <u>TRANSFERS</u> | <u>CASH</u> <u>RECEIPTS</u> | <u>APPROPRIATED</u> <u>TO FINANCE</u> <u>IMPROVEMENT</u> <u>AUTHORIZATIONS</u> | <u>BALANCE</u> <u>DECEMBER</u> <u>31, 2021</u> |
|------------------------------------|--|------------------|--------------------------------|---|--|
| Capital Outlay | \$ 10,000.00 | \$ | \$ | \$ | 10,000.00 |
| Purchase of Public Works Equipment | 41,042.00 | | 10,000.00 | | 51,042.00 |
| Plant Expansion | 885,989.20 | (150,000.00) | | | 735,989.20 |
| Future Replacements | 43,061.00 | | | | 43,061.00 |
| Pole Barn | 45,000.00 | | | | 45,000.00 |
| Collection System Replacement | 50,000.00 | 150,000.00 | | 150,000.00 | 50,000.00 |
| Sewer Improvements | | | 3,579,563.00 | | 3,579,563.00 |
| N.J.E.I.T. Advance Payments | | | | | |
| | <u>\$ 1,075,092.20</u> | <u>\$</u> | <u>\$ 3,589,563.00</u> | <u>\$ 150,000.00</u> | <u>\$ 4,514,655.20</u> |

REF.

E

E-5

E-18:E-21

E

TOWN OF CLINTON

SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

| ORDINANCE NUMBER | IMPROVEMENT DESCRIPTION | DATE | ORDINANCE AMOUNT | | BALANCE DECEMBER 31, 2020 | | 2021 AUTHORIZATIONS | CONTRACTS PAYABLE | REFUNDS | BALANCE DECEMBER 31, 2021 | |
|-----------------------|---|------------|---------------------|--------------|------------------------------|------------|------------------------|----------------------|------------|------------------------------|------------|
| | | | | | FUNDED | UNFUNDED | | | | FUNDED | UNFUNDED |
| General Improvements: | | | | | | | | | | | |
| 2011-10 | Sewer Utility Improvements | 05/24/2011 | \$ | 137,000.00 | \$ | 7,706.44 | \$ | \$ | \$ | 7,706.44 | \$ |
| 2012-06 | Sewer Utility Improvements | 06/12/2012 | | 125,000.00 | | 34,570.71 | | | | 34,570.71 | |
| 2014-10 | Various Sewer Improvements | 06/04/2014 | | 54,500.00 | | 20,389.25 | | | | 20,389.25 | |
| 2015-10 | Various Sewer Improvements | 05/12/2015 | | 100,000.00 | | 2,252.31 | | | | 2,252.31 | |
| 2016-06 | Sewer Utility Improvements | 07/12/2016 | | 200,000.00 | | 46,772.54 | | | | 46,772.54 | |
| 2016-11 | Purchase Pickup Truck | 10/11/2016 | | 40,000.00 | | 4,198.89 | | | | 4,198.89 | |
| 2017-07 | Improvements to Wastewater Treatment Plant | 10/23/2017 | | 125,000.00 | | 36,156.78 | | 36,000.00 | | 156.78 | |
| 2018-06 | Various Sewer Improvements | 06/26/2018 | | 125,000.00 | | 116,412.06 | | 4,000.00 | | 112,412.06 | |
| 2019-08 | Various Sewer Improvements | 04/23/2019 | | 118,000.00 | | 118,000.00 | | 37,920.00 | | 80,080.00 | |
| 2019-13 | Improvements to Wastewater Treatment | 10/22/2019 | | 3,389,400.00 | | 2,594.21 | | 201,250.00 | 200,000.00 | | 1,344.21 |
| 2020-09 | Filter and Residual Building Improvements Wastewater Treatment Plant | 03/25/2020 | | 500,000.00 | | 426,062.40 | | 252,487.90 | | | 173,574.50 |
| 2021-11 | Sewer Utility Improvements | 05/12/2021 | | 150,000.00 | | | 150,000.00 | 146,248.31 | | 3,751.69 | |
| 2021-15 | Acquisition of Equipment | 06/09/2021 | | 100,000.00 | | | 100,000.00 | 719.49 | | | 99,280.51 |
| | | | \$ | | \$ | 386,458.98 | \$ | 428,656.61 | \$ | 250,000.00 | \$ |
| | | REF. | | | | E | E | E-14 | E-5 | E | E |
| | Miscellaneous Reserves | E-17 | | | | | \$ | 150,000.00 | | | |
| | Deferred Charges to Future Taxation - Unfunded | | | | | | | 100,000.00 | | | |
| | | E-15 | | | | | \$ | 250,000.00 | | | |

"E-19"

TOWN OF CLINTON

SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

| | <u>REF.</u> | |
|----------------------------|-------------|----------------------|
| Balance, December 31, 2020 | E | \$ 85,402.97 |
| Increased by: | | |
| 2021 Budget Appropriation | E-5 | <u>50,000.00</u> |
| Balance, December 31, 2021 | E | <u>\$ 135,402.97</u> |

"E-20"

SCHEDULE OF RESERVE FOR AMORTIZATION

| | | |
|-----------------------------|------|-------------------------|
| Balance, December 31, 2020 | E | \$ 10,933,383.73 |
| Increased by: | | |
| Serial Bonds Paid by Budget | E-22 | \$ 50,000.00 |
| Loans Paid by Budget | E-23 | <u>53,568.32</u> |
| | | <u>103,568.32</u> |
| Balance, December 31, 2021 | E | <u>\$ 11,036,952.05</u> |

TOWN OF CLINTON

SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>DATE OF ORDINANCE</u> | <u>BALANCE DECEMBER 31, 2020</u> | <u>FIXED CAPITAL AUTHORIZED</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|-----------------------------|--|------------------------------|--|---|--|
| General Improvements: | | | | | |
| 2011-10 | Sewer Utility Improvements | 05/24/2011 | \$ 137,000.00 | \$ | 137,000.00 |
| 2012-06 | Sewer Utility Improvements | 06/12/2012 | 125,000.00 | | 125,000.00 |
| 2014-10 | Various Sewer Improvements | 06/04/2014 | 54,500.00 | | 54,500.00 |
| 2015-10 | Various Sewer Improvements | 05/12/2015 | 100,000.00 | | 100,000.00 |
| 2016-06 | Sewer Utility Improvements | 07/12/2016 | 200,000.00 | | 200,000.00 |
| 2016-11 | Purchase Pickup Truck | 10/11/2016 | 40,000.00 | | 40,000.00 |
| 2017-07 | Improvements to Wastewater Treatment Plant | 10/23/2017 | 125,000.00 | | 125,000.00 |
| 2018-06 | Various Sewer Improvements | 06/26/2018 | 125,000.00 | | 125,000.00 |
| 2019-08 | Various Sewer Improvements | 04/23/2019 | 118,000.00 | | 118,000.00 |
| 2021-11 | Sewer Utility Improvements | 05/12/2021 | | 150,000.00 | 150,000.00 |
| | | | <u>\$ 1,024,500.00</u> | <u>\$ 150,000.00</u> | <u>\$ 1,174,500.00</u> |
| <u>REF.</u> | | | E | E-17 | E |

TOWN OF CLINTON

SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS PAYABLE

| IMPROVEMENT DESCRIPTION | DATE OF ORIGINAL ISSUE | AMOUNT OF ORIGINAL ISSUE | OUTSTANDING DECEMBER 31, 2021 | | INTEREST RATE | BALANCE DECEMBER 31, 2020 | DECREASED | BALANCE DECEMBER 31, 2021 |
|-------------------------|------------------------|--------------------------|-------------------------------|--------------|-----------------|---------------------------|-----------|---------------------------|
| | | | DATE | AMOUNT | | | | |
| Sewer Utility | 8/1/2013 | \$ 1,500,000.00 | 08/01/22 | \$ 50,000.00 | 4.000% | \$ | \$ | \$ |
| | | | 08/01/23 | 50,000.00 | 3.250% | | | |
| | | | 08/01/24 | 100,000.00 | 3.500% | | | |
| | | | 08/01/25 | 100,000.00 | 3.500% | | | |
| | | | 08/01/26 | 100,000.00 | 4.000% | | | |
| | | | 08/01/27 | 100,000.00 | 4.000% | | | |
| | | | 08/01/28 | 100,000.00 | 4.000% | | | |
| | | | 08/01/29 | 100,000.00 | 4.000% | | | |
| | | | 08/01/30 | 100,000.00 | 4.000% | | | |
| | | | 08/01/31 | 100,000.00 | 4.125% | | | |
| | | | 08/01/32 | 100,000.00 | 4.250% | | | |
| | | | 08/01/33 | 100,000.00 | 4.250% | | | |
| | | | | | | 1,150,000.00 | 50,000.00 | 1,100,000.00 |
| | | | \$ 1,150,000.00 | \$ 50,000.00 | \$ 1,100,000.00 | | | |
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"E-24"

TOWN OF CLINTON

SEWER UTILITY CAPITAL FUND

SCHEDULE OF INTERFUNDS

| | <u>REF.</u> | <u>TOTAL</u> | <u>SEWER UTILITY OPERATING</u> |
|--------------------------------------|-------------|-----------------------------|--|
| Cash Receipts | E-5 | \$ <u>100,000.00</u> | \$ <u>100,000.00</u> |
| Balance, December 31, 2021 Due To | E | \$ <u><u>100,000.00</u></u> | \$ <u><u>100,000.00</u></u> |

"E-25"

TOWN OF CLINTON

SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

| <u>ORDINANCE NUMBER</u> | <u>IMPROVEMENT DESCRIPTION</u> | <u>BALANCE DECEMBER 31, 2021</u> |
|-----------------------------|--|--|
| 2019-15 | Improvements to Wastewater Treatment | \$ 3,389,400.00 |
| 2020-09 | Filter and Residual Building Improvements Wastewater Treatment Plant | 500,000.00 |
| 2021-15 | Acquisition of Equipment | <u>100,000.00</u> |
| | | <u>\$ 3,989,400.00</u> |

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TOWN OF CLINTON

PART II

STATISTICAL DATA

LIST OF OFFICIALS

COMMENTS AND RECOMMENDATIONS

YEAR ENDED DECEMBER 31, 2021

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE - CURRENT FUND

| | YEAR 2021 | | YEAR 2020 | |
|--|-------------------------|----------------|-------------------------|----------------|
| | AMOUNT | % | AMOUNT | % |
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | | |
| Fund Balance Utilized | \$ 400,000.00 | 2.62% | \$ 500,000.00 | 3.41% |
| Miscellaneous-From Other Than Local | | | | |
| Property Tax Levies | 1,736,370.91 | 11.36% | 1,519,684.33 | 10.37% |
| Collection of Delinquent Taxes and | | | | |
| Tax Title Liens | 151,261.49 | 0.99% | 102,109.99 | 0.70% |
| Collection of Current Tax Levy | 13,001,192.35 | 85.04% | 12,527,472.34 | 85.52% |
| <u>TOTAL INCOME</u> | <u>\$ 15,288,824.75</u> | <u>100.00%</u> | <u>\$ 14,649,266.66</u> | <u>100.00%</u> |
| <u>EXPENDITURES</u> | | | | |
| Budget Expenditures: | | | | |
| Municipal Purposes | \$ 4,733,643.81 | 32.84% | \$ 4,702,259.66 | 33.48% |
| County Taxes | 1,583,440.11 | 10.98% | 1,558,770.87 | 11.10% |
| School Taxes | 8,090,704.00 | 56.12% | 7,782,255.00 | 55.41% |
| Other | 8,363.32 | 0.06% | 2,186.94 | 0.02% |
| <u>TOTAL EXPENDITURES</u> | <u>\$ 14,416,151.24</u> | <u>100.00%</u> | <u>\$ 14,045,472.47</u> | <u>100.00%</u> |
| Excess in Revenue | \$ 872,673.51 | | \$ 603,794.19 | |
| Fund Balance, January 1 | 1,363,573.12 | | 1,259,778.93 | |
| | \$ 2,236,246.63 | | \$ 1,863,573.12 | |
| Less: Utilization as Anticipated Revenue | 400,000.00 | | 500,000.00 | |
| Fund Balance, December 31 | <u>\$ 1,836,246.63</u> | | <u>\$ 1,363,573.12</u> | |

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE-WATER UTILITY FUND

| | YEAR 2021 | | YEAR 2020 | |
|--|------------------------|----------------|------------------------|----------------|
| | AMOUNT | % | AMOUNT | % |
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | | |
| Fund Balance Utilized | \$ | | \$ | |
| Collection of Water Rents | 4,062,251.52 | 84.38% | 3,696,556.38 | 83.10% |
| Miscellaneous-From Other Than Water Rents | 752,198.71 | 15.62% | 611,791.33 | 13.75% |
| <u>TOTAL INCOME</u> | <u>\$ 4,814,450.23</u> | <u>100.00%</u> | <u>\$ 4,448,347.71</u> | <u>100.00%</u> |
| <u>EXPENDITURES</u> | | | | |
| Budget Expenditures: | | | | |
| Operating | \$ 2,044,650.00 | 60.10% | \$ 1,972,550.00 | 56.50% |
| Deferred Charges and Regulatory Expenditures | 122,500.00 | 3.60% | 121,816.00 | 3.49% |
| Capital Improvements | 170,000.00 | 5.00% | 170,000.00 | 4.87% |
| Debt Service | 1,060,044.48 | 31.16% | 1,226,801.16 | 35.14% |
| Other Expenditures | 5,120.00 | 0.15% | | |
| <u>TOTAL EXPENDITURES</u> | <u>\$ 3,402,314.48</u> | <u>100.00%</u> | <u>\$ 3,491,167.16</u> | <u>100.00%</u> |
| Excess in Revenue | \$ 1,412,135.75 | | \$ 957,180.55 | |
| Fund Balance, January 1 | 2,268,172.08 | | 1,450,991.53 | |
| | \$ 3,680,307.83 | | \$ 2,408,172.08 | |
| Less: Utilization as Anticipated Revenue | | | 140,000.00 | |
| Fund Balance, December 31 | <u>\$ 3,680,307.83</u> | | <u>\$ 2,268,172.08</u> | |

COMPARATIVE STATEMENT OF OPERATIONS AND
CHANGE IN FUND BALANCE-SEWER UTILITY FUND

| | YEAR 2021 | | YEAR 2020 | |
|--|------------------------|----------------|------------------------|----------------|
| | AMOUNT | % | AMOUNT | % |
| <u>REVENUE AND OTHER INCOME REALIZED</u> | | | | |
| Fund Balance Utilized | \$ 194,968.00 | 6.84% | \$ 68,000.00 | 2.95% |
| Collection of Sewer Rents | 1,523,757.77 | 53.49% | 1,569,118.27 | 68.11% |
| Miscellaneous - From Other Than Sewer Rents | 1,129,959.48 | 39.66% | 666,705.41 | 28.93% |
| <u>TOTAL INCOME</u> | <u>\$ 2,848,685.25</u> | <u>100.00%</u> | <u>\$ 2,303,823.68</u> | <u>100.00%</u> |
| <u>EXPENDITURES</u> | | | | |
| Budget Expenditures: | | | | |
| Operating | \$ 1,928,909.00 | 85.54% | \$ 1,929,363.84 | 85.40% |
| Deferred Charges and Regulatory Expenditures | 103,375.00 | 4.58% | 103,291.00 | 4.57% |
| Capital Improvements | 60,000.00 | 2.66% | 60,000.00 | 2.66% |
| Debt Service | 162,682.32 | 7.21% | 166,432.32 | 7.37% |
| <u>TOTAL EXPENDITURES</u> | <u>\$ 2,254,966.32</u> | <u>100.00%</u> | <u>\$ 2,259,087.16</u> | <u>100.00%</u> |
| Excess in Revenue | <u>\$ 593,718.93</u> | | <u>\$ 44,736.52</u> | |
| Fund Balance, January 1 | <u>458,615.79</u> | | <u>481,879.27</u> | |
| | \$ 1,052,334.72 | | \$ 526,615.79 | |
| Less: Utilization as Anticipated Revenue | <u>194,968.00</u> | | <u>68,000.00</u> | |
| Fund Balance, December 31 | <u>\$ 857,366.72</u> | | <u>\$ 458,615.79</u> | |

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

| | <u>2021</u> | <u>2020</u> | <u>2019</u> |
|--------------------------|----------------|----------------|----------------|
| Tax Rate | <u>\$3.310</u> | <u>\$3.233</u> | <u>\$3.174</u> |
| Appointment of Tax Rate: | | | |
| Municipal | 0.872 | 0.852 | 0.837 |
| County | 0.334 | 0.332 | 0.327 |
| County Open Space | 0.032 | 0.032 | 0.031 |
| County Library | 0.033 | 0.033 | 0.032 |
| Local District School | 1.412 | 1.374 | 1.342 |
| Regional High School | <u>0.627</u> | <u>0.61</u> | <u>0.605</u> |

Assessed Valuations:

| | | | |
|------|--------------------------|--------------------------|--------------------------|
| 2021 | \$ <u>396,809,150.00</u> | | |
| 2020 | | \$ <u>392,357,050.00</u> | |
| 2019 | | | \$ <u>385,044,650.00</u> |

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future tax levies.

| <u>YEAR</u> | <u>TAX LEVY</u> | <u>CASH COLLECTIONS</u> | <u>CURRENTLY PERCENTAGE OF COLLECTION</u> |
|-------------|------------------|-------------------------|---|
| 2021 | \$ 13,145,936.47 | \$ 13,001,192.35 | 98.89% |
| 2020 | 12,690,472.85 | 12,527,472.34 | 98.71% |
| 2019 | 12,224,981.60 | 12,122,542.35 | 99.16% |

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison expressed in percentage of the total delinquent taxes, in relation to the tax levies of the last three years:

| <u>DECEMBER 31, YEAR</u> | | <u>TAX TITLE LIENS</u> | | <u>AMOUNT OF DELINQUENT TAXES</u> | | <u>TOTAL</u> | <u>PERCENTAGE OF TAX LEVY</u> |
|------------------------------|----|--------------------------------|----|---|----|--------------|---------------------------------------|
| 2021 | \$ | 8,669.67 | \$ | 139,920.14 | \$ | 148,589.81 | 1.13% |
| 2020 | | 1,267.84 | | 153,423.44 | | 154,691.28 | 1.22% |
| 2019 | | 1,057.69 | | 102,165.18 | | 103,222.87 | 0.84% |

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The Town has no outstanding foreclosed property.

COMPARISON OF WATER UTILITY LEVIES

| <u>YEAR</u> | | <u>LEVY</u> | | <u>CASH COLLECTIONS *</u> |
|-------------|----|--------------|----|-------------------------------|
| 2021 | \$ | 4,153,124.25 | \$ | 4,062,251.52 |
| 2020 | | 3,830,913.55 | | 3,696,556.38 |
| 2019 | | 3,904,621.98 | | 3,579,998.49 |

* Includes Collection of Prior Year Levies

COMPARISON OF SEWER UTILITY LEVIES

| <u>YEAR</u> | | <u>LEVY</u> | | <u>CASH COLLECTIONS *</u> |
|-------------|----|--------------|----|-------------------------------|
| 2021 | \$ | 2,348,557.61 | \$ | 1,523,757.77 |
| 2020 | | 1,906,121.61 | | 1,569,118.27 |
| 2019 | | 2,587,568.05 | | 2,051,563.10 |

* Includes Collection of Prior Year Levies

COMPARATIVE SCHEDULE OF FUND BALANCES

| | <u>YEAR</u> | <u>BALANCE</u> <u>DECEMBER 31</u> | <u>UTILIZED</u> <u>IN BUDGET OF</u> <u>SUCCEEDING YEAR</u> |
|------------------------------|-------------|--------------------------------------|--|
| Current Fund | 2021 | \$ 1,836,246.63 | \$ 500,000.00 |
| | 2020 | 1,363,573.12 | 400,000.00 |
| | 2019 | 1,259,778.93 | 500,000.00 |
| | 2018 | 1,222,879.27 | 495,000.00 |
| | 2017 | 979,029.30 | 412,600.00 |
| Water Utility Operating Fund | 2021 | \$ 3,680,307.83 | \$ -0- |
| | 2020 | 2,268,172.08 | -0- |
| | 2019 | 1,450,991.53 | 140,000.00 |
| | 2018 | 780,203.32 | -0- |
| | 2017 | 95,534.18 | 75,000.00 |
| Sewer Utility Operating Fund | 2021 | \$ 857,366.72 | \$ 331,030.00 |
| | 2020 | 458,615.79 | 194,968.00 |
| | 2019 | 481,879.27 | 68,000.00 |
| | 2018 | 67,890.28 | 59,999.72 |
| | 2017 | 177,736.98 | 150,000.00 |

OFFICIALS IN OFFICE AND SURETY BONDS

The following officials were in office during the period under audit:

| <u>NAME</u> | <u>TITLE</u> | <u>AMOUNT OF BOND</u> | <u>NAME OF SURETY</u> |
|--------------------|---|---------------------------|--------------------------|
| Janice Kovach | Mayor | | |
| Sherry Dineen | Councilwoman | | |
| Ross Traphagen | Councilman | | |
| Lisa Intrabartola | Councilwoman | | |
| Megan Johnson | Councilwoman | | |
| Michael Humphrey | Councilman | | |
| Rielly Karsh | Councilwoman | | |
| Cecilia Covino | Town Clerk Sewer Collector | * | Statewide Insurance Fund |
| Kathy Olsen | Chief Financial Officer/ Tax Collector | * | Statewide Insurance Fund |
| Nancy Burgess | Water Collector | * | Statewide Insurance Fund |
| Joy Wilson | Deputy Tax Collector, Deputy Treasurer | * | Statewide Insurance Fund |
| Richard Phelan | Town Administrator, Public Works Administrator | * | Statewide Insurance Fund |
| Richard P. Cushing | Municipal Attorney | | |
| Fran Kuczynski | Tax Assessor | | |

*There is a Blanket Bond provided by Public Employees' Blanket Bond in the amount of \$1,000,000.00. This bond covered employees or officials handling cash other than those specifically bonded.

All bonds were examined and were properly executed.

GENERAL COMMENTS AND RECOMMENDATIONS

GENERAL COMMENTS

CONTRACTS AND AGREEMENTS REQUIRED TO BE ADVERTISED FOR (N.J.S.A. 40A:11-4)

Every contract or agreement for the performance of any work or the furnishing or hiring of any materials or supplies, the cost or the contract price whereof is to be paid with or out of public funds, not included within the terms of Section 3 of this act, shall be made or awarded only by the governing body of the contracting unit after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law. No work, materials or supplies shall be undertaken, acquired or furnished for a sum exceeding in the aggregate the amount set forth in or the amount calculated by the Governor pursuant to Section 3 of P.L. 1971 c.198 (C.40A:11-3), except by contract or agreement.

Effective July 1, 2020 the bid threshold in accordance with N.J.S.A. 40A:11-4 is \$17,500.00. In accordance with N.J.S.A. 40A:11-3 and authorized by a resolution dated July 8, 2020 of the governing body, the bid threshold for all purchases made by the Town's qualified purchasing agent is \$44,000.00.

The governing body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where question arises as to whether any contract or agreement might result in violation of the statute, the Town Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

George's Place Roadway Improvement
New Self Contained Leaf Vacuum
Union Road Improvement Phase II Project

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear-cut violations existed. Our audit of expenditures did not reveal any individual payments, contracts or agreements in excess of \$44,000.00 "for the performance of any work or the furnishing or hiring of any material or supplies," other than those where bids had been previously sought by public advertisement or where resolution had been previously adopted under the provisions of N.J.S.A. 40A:11-6.

The minutes indicate that resolution authorizing contracts or agreements for "Professional Services" per N.J.S.A. 40A:11-5 was advertised during 2021 for the following professional services:

Municipal Auditor
Legal Services
Insurance Agent
Arborist

Municipal Engineer
Bond Counsel
Municipal Planner

COLLECTION OF INTEREST ON DELINQUENT TAXES AND ASSESSMENTS

The statute provides the method for authorizing interest and the maximum rate to be charged for the non-payment of taxes or assessments on or before the date when they would become delinquent.

The governing body on January 5, 2021 adopted the following resolution authorizing interest to be charged on delinquent taxes.

RESOLVED, that pursuant to the authority set forth in N.J.R.S. 54:4-67 the Common Council of the Town of Clinton does hereby fix the rate of interest to be charged for non-payment of taxes, assessments, sewer use charges and water charges, on or before the date when they would become delinquent at 8% and 18% per annum on any amount in excess of \$1,500.00.

In addition to the interest resolution, on January 5, 2021 the governing body adopted a resolution implementing PL 1996, Ch 75 which allows a municipality to charge an additional penalty of six percent (6%) to tax-payers with a delinquency in excess of \$10,000.00.

It appears from an examination of the records that interest was collected in accordance with the forgoing resolution.

DELINQUENT TAXES AND TAX TITLE LIENS

The last tax sale was held on October 27, 2021 and was complete.

Inspection of tax sale certificates on file revealed that all tax sale certificates were available for audit.

The following comparison is made of the number of tax title liens receivable on December 31st of the last three years:

| <u>YEAR</u> | <u>NUMBER OF LIENS</u> |
|-------------|----------------------------|
| 2021 | 2 |
| 2020 | 1 |
| 2019 | 1 |

It is essential to good management that all means provided by statute be utilized to liquidate tax title liens in order to get such properties back on a tax paying basis.

CONFIRMATION OF DELINQUENT TAXES AND OTHER CHARGES

A confirmation of delinquent charges and current payments was made in accordance with the regulations of the Division of Local Government Services consisting of verification notices as follows:

| <u>TYPE</u> | <u>NUMBER</u> |
|--|---------------|
| Delinquent Tax Positive Confirmation | 10 |
| Delinquent Utility Rent Positive Confirmation | 10 |
| Information Tax Current Positive Confirmation | 10 |
| Information Utility Rent Positive Confirmation | 10 |

OTHER COMMENTS

Interfunds

Transactions invariably occur in one fund which requires a corresponding entry to be made in another fund, thus creating interfund balances. References to the various balance sheets show the interfund balances remaining at year end. As a general rule, all interfund balances should be closed out as of the end of the year.

It is the Town's policy to review and liquidate all interfund balances on a periodic basis.

RECOMMENDATIONS

NONE

